

GLA: MAYOR BUDGET 2025-26

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1. EXECUTIVE SUMMARY

1.1 The Mayor's consolidated budget for the GLA Group for 2025-26 was approved on 25 February 2025. It brings together the plans of the GLA and its functional bodies: Transport for London (TfL); the Mayor's Office for Policing and Crime (MOPAC); the London Fire Commissioner; the London Legacy Development Corporation; and the Old Oak and Park Royal Development Corporation.

1.2 This document presents the final GLA: Mayor budget for 2025-26 in light of the now-agreed Mayor's consolidated budget for the GLA Group.

Context for the development of this budget

1.3 The draft GLA budget for 2025-26 was presented, as required by law, to the London Assembly's Budget & Performance Committee in November 2024. As ever, it was developed well before the GLA's provisional 2025-26 settlement from the government was known; and before business rates and council tax returns were reported by London boroughs.

1.4 This final budget now takes account of the decisions the Mayor has made in light of the GLA's settlement and certainty around business rates and council tax returns.

1.5 Our draft budget was presented by eight GLA-led themes: safety; housing; transport; social justice; environment; health; skills; children and young people; the economy; and a global city and culture. It recognised that the Mayor's work on safety and transport is delivered largely by his funding of MOPAC and TfL respectively; these themes were therefore covered elsewhere.

1.6 In the months since, we have worked to build on this thematic approach as part of a full refresh of our approach to delivery and governance. As part of this the GLA has defined a set of London-level, long-term outcomes which reflect Londoners' aspirations for the city and to which the GLA, in partnership with others, is working towards.

1.7 We are also developing 14 strategic, high-level, GLA-led programmes to ensure that the GLA, in partnership with others, works towards these aspirations. These programmes are:

1. Building more homes
2. Making best use of land
3. Improving London's housing stock
4. Reducing inequalities
5. Accommodation and wider support for those who need it most
6. Reducing non-residential emissions
7. Delivering a greener, more climate-resilient London
8. Cleaning London's air
9. Supporting Londoners to benefit from growth
10. Supporting and inspiring young London
11. Boosting London's growth sectors
12. Helping local economies to thrive
13. Upgrading London's infrastructure
14. Celebrating London

1.8 The Mayor has made it clear, in his mandate for each programme, how he wants the work of the GLA, in partnership, to contribute to these London-level outcomes.

- 1.9 This final budget allocates revenue and capital against the 14 strategic, high-level programmes. It does not present the detailed activity of each delivery plan being produced in response to the Mayor's mandates. These delivery plans will be published as Mayoral Decisions over the coming weeks, based on this budget's funding allocations.

A budget to build a fairer, safer, greener London for everyone

- 1.10 The common thread that runs through our current and new activity is a determination to create a fairer, safer and greener London for everyone – irrespective of race, gender, religion, sexual orientation, age, disability or class. The Mayor remains passionate about delivering on his promise to Londoners: to make London a city where all Londoners get the opportunities to reach their potential, and where no one is left behind.
- 1.11 The emphasis is on the issues that matter most to Londoners: making London safer; building more affordable homes; ending street homelessness; supporting businesses, jobs and economic growth; tackling the climate crisis and taking action to clean up our rivers and air; supporting young Londoners; and helping with the cost-of-living crisis, including delivering free school meals to all state primary school children.
- 1.12 Making London safer, and tackling violent crime in all its forms, remains the Mayor's top priority. Reducing crime – especially violent crime, and violence against women and girls – and tackling the causes of crime are at the heart of the Mayor's strategy. This work sits alongside supporting and overseeing the challenging reform agenda being implemented by the leadership of the Metropolitan Police Service. Most of the Mayor's investment in this area is through his funding of MOPAC, which is covered comprehensively in MOPAC's budget.

Resources available in this budget

- 1.13 Compared to the 2024-25 budget, this budget contains the following additional resources for 2025-26:
- £70.8 million resource from business rates for 2025-26. This includes additional funding provided by the Mayor to cover the cost of ongoing provision of Universal Free School Meals and £10.0 million to replenish the Elections reserve to account for increased costs at the 2024 elections. Ongoing contributions into that reserve in future years have also been increased to ensure sufficient resources are available for the next election in 2028.
 - New funding has been received to cover the rise in the GLA's costs due to the increase in employers' National Insurance Contributions (NICs). Funding of £2.0 million has been allocated to this budget on a recurrent basis to offset this additional cost from the overall allocation made to the GLA Group by government for this purpose.
 - £0.7 million of additional council tax income, and an additional £5.5 million from GLA Group reserves.
- 1.14 This additional funding is more than offset by forecast reductions in interest receipts (£45.5 million) and government grants and other external income (£41.3 million). It is likely that additional government funding will be secured during 2025-26, which will be reflected in our quarterly monitoring reports.
- 1.15 We estimate that the GLA: Mayor's total revenue resources, deployed in 2025-26, will be £904.1 million, with circa £1.8 billion in capital resources. These resources are set out in section 2, alongside our assumptions about our use of uncommitted reserves.

- 1.16 A total of £528.0 million, or 58 per cent of our total revenue resources comes from external sources, and is ring-fenced to fund specific activities, as required by funders. The Adult Skills Fund (formerly the Adult Education Budget) accounts for 63 per cent of this total.
- 1.17 In 2025-26, Greater London Authority Holdings Ltd (GLAH), a subsidiary of the Greater London Authority (GLA), will assume strategic responsibilities for the London Stadium. The budget for the Stadium is outlined in the GLA Group Budget 2025-26, with additional details provided in MD3244. Consequently, these details are not duplicated here.

Proposed new investments in this budget

- 1.18 This final budget now allocates a total of £111.8 million non-core and £9.8 million core resources. The table at paragraph 3.7 sets out the updated proposed new investments. These include investments laid out in the draft budget: the proposed pedestrianisation of Oxford Street; the GLA's rough-sleeping programme; the provision of activity and food during school holidays to children who require support; work on building more new homes; and programmes to support and inspire young Londoners.
- 1.19 The key additional growth item added since the November draft budget is the continuation of the Universal Free School Meals programme for children at state primary schools. A total of £147.5 million has been allocated to this in 2025-26, rising to £150.5 million in 2026-27 and £153.5 million in 2027-28. These sums will be split across financial years to align with academic years.
- 1.20 New allocations have also been made to support Londoners' income maximisation, and mental health in schools. New additional one-off costs for the transition of IT to shared services, as well as an increase in IT ongoing costs, have been added to the core functions budget.
- 1.21 The cost of the GLA 2024 elections was significantly higher than the reserve set aside to pay for it. In addition to the one-off sum of £10.0 million allocated to replenish the reserve referred to in paragraph 1.13, a further annual allocation of £2.5 million will now be made to ensure that the reserve is sufficient to cover the cost of the 2028 elections. These sums will be held in reserve until the next elections in 2028 and therefore do not feature as part of the expenditure budget for 2025-26.

Implications for GLA staffing

- 1.22 We are allocating, in this budget, the equivalent of a 2.5 per cent pay award to all staff in 2025-26. The final award is subject to our negotiations with Unison and their members' agreement.

Q3 finance report

- 1.23 The GLA's Q3 finance report was published on our website in February. Material variances identified in this report have been taken into account in constructing this budget.

2. GLA: MAYOR RESOURCES FOR 2025-26

- 2.1 The GLA: Mayor's revenue budget is complex, with several funding sources. Ringfenced external funding makes a significant contribution. It has become normal for the budget to be supported each year by substantial amounts of one-off funding, drawn down from reserves previously set aside to enable multi-year delivery.
- 2.2 Note that income is shown in brackets throughout the tables in this document.
- 2.3 When the Mayor agreed the final 2024-25 budget in March 2024, planning figures for 2025-26 were set out. These figures are included in this document for comparison purposes, and have been updated in accordance with the Mayor's published Budget Guidance issued in July.
- 2.4 The table below shows the movement in funding from the March 2024 budget and assumed funding to be available for 2025-26. A comparison to the March 2024 plan is also shown:

Funding Movement from March 2024 Budget				
		Movement from March plan		Movement from March budget
	£m		£m	£m
As at March 2024	205.4		379.5	
Increase in Business Rates	110.0		70.8	
Increase in Council Tax requirement	(0.3)		0.7	
Direct Government Grant			(26.5)	
Group reserves	60.5		5.5	
Interest receipts	8.9		(45.5)	
Interest payable	(4.0)		(4.0)	
As at March 2025	380.5	175.1	380.5	1.0
External Funding	447.0		542.8	
Trailblazer initiatives	30.0		30.0	
UKSPF	72.8		(28.5)	
Skills Multiply	(14.0)			
Reduction in ASF income	(9.3)		(9.3)	
Other changes	1.5		(7.0)	
As at March 2025	528.0	81.0	528.0	(14.8)
Change in use of reserves in year		(39.6)		(11.4)
		216.5		(25.2)

- 2.5 While funding levels remain reasonably stable, there are some notable changes. The increase in business rates, combined with contributions from Group reserves, reflects the continued support for the Universal Free School Meals programme.
- 2.6 There are a number of changes to grant allocations from 2024-25 set out above: the key changes being the addition of Trailblazer initiatives; and the reduction in allocation of the UK Shared Prosperity Fund (UKSPF), confirmed for 2025-26 at £42.9 million. As no funding has been confirmed for future years, no ongoing income is assumed in this budget.

- 2.7 The £0.7 million increase in base funding reflects the council tax income allocated to the GLA, adjusted for the appropriate split between GLA: Mayor and GLA: Assembly. This includes the recurrent transfer of £1.1 million resources from London Fire Brigade (LFB) following the transfer of the London Resilience Group to the GLA in June 2024, offset by other amendments.
- 2.8 The £11.4 million increase in the use of reserves reflects changes arising since March, including additional funding to support future elections being added to reserves. Collaboration funding is identified separately this year. Prior to this year, the resources to pay for this activity have been held by each functional body. In this budget, a specific funding allocation of £8.1 million has been top sliced from group funding, pending the approval of spending plans.
- 2.9 The table below summarises the funding currently estimated to be available to the GLA over the next three years. It also shows the 2024-25 budget; and the position for 2025-26 as planned in the 2024-25 budget.

Funding Envelope	2024-25 Budget	2025-26 Plan	2025-26 Budget	2026-27 Plan	2027-28 Plan
	£m	£m	£m	£m	£m
Retained Business Rates	(100.3)	(61.1)	(171.1)	(162.3)	(163.5)
Council Tax requirement	(68.3)	(69.3)	(69.0)	(69.8)	(70.4)
Direct Government Grant	(26.5)				
Group reserves	(55.0)		(60.5)	(63.5)	(66.5)
Interest receipts	(114.4)	(62.0)	(76.6)	(76.6)	(68.8)
Interest receipts GLAP	(15.0)	(13.0)	(7.3)	(7.3)	(7.2)
Interest payable			4	3.8	3.7
Total Base Funding	(379.5)	(205.4)	(380.5)	(375.7)	(372.7)
External funding, including ASF	(542.8)	(447.0)	(528.0)	(441.2)	(438.7)
Total Funding Before Reserves	(922.3)	(652.4)	(908.5)	(816.9)	(811.4)
Planned reserves utilisation	1.7	(42.6)	(14.9)	(7.5)	(14.4)
Elections reserve utilisation	(9.3)	6.8	19.3	9.5	9.5
Minimum Revenue Provision			(0.6)	(1.0)	(2.3)
Total Resource Available	(929.9)	(688.3)	(904.7)	(815.9)	(818.6)

- 2.10 Interest receipts from the GLA's cash investments depend on interest rates and our cash flow. Interest rates have reduced since the previous budget was set. Even though our cash balances remain strong, the level of income is not likely to be as high as it has been in the last couple of years. As such, a more prudent level is assumed for 2025-26.
- 2.11 The interest receipts assumed from GLA Land and Property (GLAP) remain as planned. The interest payable by the GLA is now separately listed instead of being netted off the income receivable, for the sake of transparency.

- 2.12 The borrowing arrangements in place give rise to the need to make a Minimum Revenue Provision for external debt. This is a requirement to set aside a specified sum to repay debt. This has been deducted from the overall funding available.
- 2.13 This budget assumes £528.0 million in external funding. Of this, £337.0 million is the GLA's allocation of Adult Skills Fund from central government. This is around £9.0 million lower than was anticipated in the draft budget published in November. A further £20m relates to the Bootcamp programme, also funded by the Department for Education. There will be no funding for Multiply in 2025-26.
- 2.14 New sources of external income may yet become available during the financial year. A full breakdown of the non-Adult Skills Fund external income is laid out in Appendix C.
- 2.15 The main uses of GLA: Mayor reserves in this budget are detailed in the table below:

Net movement on reserves	2025-26 Plan £m	2025-26 Budget £m	2026-27 Plan £m	2027-28 Plan £m
GLA Elections	6.8	19.3	9.5	9.5
GLA Green Finance	(11.3)	(6.1)	(6.1)	(6.1)
Universal Free School Meals	(40.0)	11.2	0.9	0.9
New Deal for Young People	(6.4)	(6.8)	(1.0)	(1.0)
Right-to-buy interest receipts	(2.6)	(0.7)	(0.7)	(0.7)
Sport Unites	(1.0)	(1.0)	(1.0)	(0.7)
Sports Events		18.6		
Other movements	15.4	(30.7)	(0.6)	(9.1)
Net movement on reserves to support directorate budgets	(39.1)	3.8	1.0	(7.2)
Net movement in reserves to support capital budgets	(5.0)	(40.0)	(3.8)	(3.3)
Total movement in reserves	(44.1)	(36.2)	(2.8)	(10.5)

- 2.16 The 2025-26 budget includes a higher use of reserves, on a net basis, than was expected in the plan in March 2024. This reflects several changes, including the addition of Collaboration team funding explicitly, for the first time (previously, this expenditure came from the GLA Group budget). Additional budget requirements have also resulted in a higher draw on general reserves. Further details on reserves, and on all planned reserve drawdowns for the GLA, are set out in Appendix D.
- 2.17 In addition to the main funding sources detailed in this section, there are two sources of strategic external funding, which are delegated, in part, to the GLA. These are the Strategic Investment Fund (SIF) and the UKSPF.
- 2.18 Under the terms of the London business rates pilots in 2018-19 and 2019-20, it was agreed with the government that the GLA's share of the additional benefit should be applied to fund strategic investment projects. The total additional business rates growth received by the GLA from the pilots, across the two years, was £185.0 million. This resource has been held at GLA Group-level in the SIF reserve, being drawn down to fund expenditure as it has been incurred on the approved projects.
- 2.19 Previous budgets included London Economic Action Partnership funding and external funds from London's European Regional Development Fund (ERDF) and European Social Fund (ESF) allocations, which supported a range of GLA programmes and posts. These funding streams ended in 2023-24; and the government replaced them with the UKSPF,

from which London was allocated £144.0 million from 2022-23 to 2024-25. An allocation of £42.9 million for this programme is currently included in the funding model for 2025-26 and 2026-27. The distribution of this between priorities is currently estimated but is subject to final decision.

- 2.20 Unlike the ERDF and the ESF, UKSPF is paid directly to the GLA. A proportion of London's allocation is used to fund the GLA's administrative costs incurred in managing the programme.
- 2.21 We also have capital resources of £1,847.5 million in 2025-26. Like the revenue budget, our capital resources comprise funding from several (largely external) sources. This is shown in the table below:

Source of Funding	Revised Budget 2024-25 £'000	Budget 2025-26 £'000	Plan 2026-27 £'000	Plan 2027-28 £'000	Plan 2028-29 £'000
Borrowing	156,889	140,813	73,626	32,294	17,124
Capital Receipts	8,760	21,000	40,400	28,674	8,684
Revenue Contributions	101,201	39,950	3,767	3,252	3,302
Government Grants	870,989	1,544,792	1,267,349	1,054,203	214,079
Recycled Capital Grant Fund	-	-	38,212	74,800	91,989
Reserves	80,050	22,246	24,040	-	5,692
Green Finance Fund	65,644	78,967	94,220	93,293	68,178
Grand Total	1,283,533	1,847,768	1,541,615	1,286,516	409,047

- 2.22 The grants from government (the timing of which can vary according to delivery progress) is broken down further below by programme. By far the largest is the grant from the Ministry for Housing, Communities and Local Government, which supports the delivery of the Affordable Homes Programme.

Government Grants by Programme	Revised Budget 2024-25 £000	Budget 2025-26 £000	Plan 2026-27 £000	Plan 2027-28 £000	Plan 2028-29 £000
Building more homes	557,419	1,276,284	1,049,341	985,203	213,579
Improving London's housing stock	206,046	231,000	216,000	68,000	
Accommodation and wider support for those who need it most	34,107				
Delivering a greener, more climate-resilient London	779				
Supporting Londoners to benefit from growth	43,350	15,405			
Supporting and inspiring young London					
Boosting London's growth sectors	17,414	20,094			
Helping local economies to thrive	7,074				
core	4,800	2,008	2,008	1,000	500
Total	870,989	1,544,791	1,267,349	1,054,203	214,079

- 2.23 Capital resources allocated to programmes are detailed in section 4. Appendix G sets out the Capital Strategy.

3. PROPOSED ALLOCATION OF FUNDING

- 3.1 The table below illustrates the allocation of available revenue funding across our budget framework: 14 programmes and core functions. The budget for 2025-26 is listed first. Planning totals for 2026-27 and 2027-28 are also shown.

Programme	BUDGET 2025-26		
	Expenditure £000's	Income £000's	Net £000's
Building more homes	19,702	(14,105)	5,597
Making best use of land	2,307	(951)	1,356
Improving London's housing stock	12,564	(5,686)	6,878
Reducing inequalities	12,642	(330)	12,312
Accommodation and wider support for those who need it most	67,833	(52,492)	15,341
Reducing non-residential emissions	13,139	(276)	12,863
Delivering a greener, more climate-resilient London	10,335	(1,690)	8,645
Cleaning London's air	1,730	-	1,730
Supporting Londoners to benefit from growth	418,442	(409,314)	9,127
Supporting and inspiring young London	156,150	(10)	156,140
Boosting London's growth sectors	38,899	(21,967)	16,932
Helping local economies to thrive	7,577	(857)	6,720
Upgrading London's infrastructure	4,813	(3,190)	1,623
Celebrating London	21,803	(2,364)	19,439
Core	108,089	(14,772)	93,318
Group Collaboration	8,096	-	8,096
Total	904,121	(528,004)	376,117

Programme	PLAN 2026-27			PLAN 2027-28		
	Expenditure £000's	Income £000's	Net £000's	Expenditure £000's	Income £000's	Net £000's
Building more homes	18,042	(14,218)	3,824	18,314	(15,294)	3,020
Making best use of land	1,415	(451)	964	1,422	(451)	971
Improving London's housing stock	9,493	(5,613)	3,880	9,510	(5,630)	3,880
Reducing inequalities	12,527	(345)	12,182	11,120	(354)	10,766
Accommodation and wider support for those who need it most	29,969	(11,123)	18,846	25,204	(7,454)	17,750
Reducing non-residential emissions	13,088	(273)	12,815	13,089	(273)	12,816
Delivering a greener, more climate-resilient London	13,303	(1,557)	11,746	11,601	(1,557)	10,044
Cleaning London's air	1,735	-	1,735	1,739	-	1,739
Supporting Londoners to benefit from growth	395,268	(386,988)	8,280	395,269	(386,988)	8,281
Supporting and inspiring young London	160,245	(10)	160,235	162,332	(10)	162,322
Boosting London's growth sectors	17,087	(517)	16,570	17,053	(517)	16,536
Helping local economies to thrive	3,456	(440)	3,016	3,308	(440)	2,868
Upgrading London's infrastructure	4,281	(2,663)	1,618	4,281	(2,663)	1,618
Celebrating London	21,768	(2,252)	19,516	26,332	(2,307)	24,025
Core	105,064	(14,732)	90,332	107,645	(14,808)	92,837
Group Collaboration	8,096	-	8,096	8,096	-	8,096
Total	814,837	(441,181)	373,656	816,315	(438,745)	377,570

- 3.2 Details of the allocation from each funding source for 2025-26, by programme and core function, are set out below:

Programme	2025-26 Budget							Capital £000's
	Reserves			External Income		Total Revenue Spend £000's		
	GLA Base Funding £000's	Specific £000's	General £000's	Total GLA Spend £000's	ASF £000's		Other £000's	
Building more homes	4,907	690		5,597		14,105	19,702	1,292,422
Making best use of land	1,356			1,356		951	2,307	4,000
Improving London's housing stock	6,878			6,878		5,686	12,564	309,967
Reducing inequalities	12,312			12,312		330	12,642	
Accommodation and wider support for those who need it most	14,972		369	15,341		52,492	67,833	
Reducing non-residential emissions	12,863			12,863		276	13,139	
Delivering a greener, more climate-resilient London	2,533	6,112		8,645		1,690	10,335	
Cleaning London's Air	1,730			1,730		-	1,730	300
Supporting Londoners to benefit from growth	9,127			9,127	330,460	78,854	418,442	
Supporting and inspiring young London	159,581	(3,441)		156,140		10	156,150	
Boosting London's growth sectors	16,932			16,932		21,967	38,899	20,094
Helping local economies to thrive	6,720			6,720		857	7,577	15,805
Upgrading London's infrastructure	1,623			1,623		3,190	4,813	
Celebrating London	37,995	(18,556)		19,439		2,364	21,803	14,620
Core	82,842		10,476	93,318		14,772	108,089	190,559
Group Collaboration	8,096			8,096		-	8,096	
Total Portfolio	380,467	(15,195)	10,845	376,117	330,460	197,544	904,121	1,847,767

- 3.3 Appendix A sets out how the 2025-26 budget, organised by programme, is allocated by directorate. Appendix B sets out the gross budget revenue allocations mapped to the directorate structure.
- 3.4 The table at paragraph 3.2 demonstrates where funding is deployed. There is a net drawdown from reserves of £36.2 million in 2025-26. This is comprised of a draw of £40.0 million in relation to capital, and a net contribution to reserves of £3.8 million in relation to revenue, including a contribution of £0.6m to Minimum Revenue Provision for capital borrowing. The table also shows how capital funds have been allocated across the programmes.
- 3.5 Our first requirement is to fund the GLA's core functions, which include virtually all the GLA's statutory functions. The gross cost of core functions in 2025-26 is estimated at £116.1 million; and the net cost at £101.4 million. Details are set out in section 5. Gross resources allocated to programmes in 2025-26 are £787.9 million. Details are set out in section 4.

Adult Skills Fund (formerly the Adult Education Budget)

- 3.6 The government has delegated the Adult Skills Fund, for the purposes of education and skills, to the Mayor; the GLA must account for total expenditure against this grant. The budget includes the confirmed level of funding of £337.0 million. This is £9.0 million lower than was anticipated in the November draft budget.

Proposed allocation of funding

- 3.7 The table below shows how the Mayor proposes to allocate additional resources to the priorities of the GLA, across programmes and core functions:

Growth in budgeted expenditure		£000
Programmes		
Building more homes	Policy development to support new homes, including city hall developer and land assembly	1,000
Accommodation and wider support for those who need it most	Additional funds for the GLA's rough sleeping programme including floating hubs	2,100
Reducing inequalities	Continuation of income maximisation advice service	600
Reducing inequalities	Additional grant to Mayor's Fund to support transition to shared IT service	75
Supporting and inspiring young London	Holiday Hope - school holiday food and activity programme	2,000
Supporting and inspiring young London	Mayor's Mental Health in Schools programme	810
Supporting and inspiring young London	Continuation of Universal Free School Meals	100,000
Helping local economies to thrive	Initial work on Oxford Street pedestrianisation and creation of Mayoral Development Corporation	4,700
Celebrating London	Partnerships with sports organisations to develop programmes for young people	500
Growth in programmes		111,785
Core	Unit	
	Facilities management	Contractual increase in existing contracts 345
		Corrections to City Hall budget 150
		Early work on relocation from Union St to Palestra 150
	Finance	Review of Anti Money Laundering policy 25
		External audit fees - anticipated increase 174
		Insurance - anticipated increase 50
		Additional cost of NIC increase 2,300
	Governance & performance	2 new posts to support Mayoral and London Mission Boards 124
	People Function	Employee health screening - increase to match demand 209
		Additional Employee Relations caseworkers (one year only) 163
		Non pay expenditure related to capability and learning 61
		Workplace adjustments 26
	Information Governance	1 new post Knowledge and Information Management Officer 76
	Internal audit	Anticipated increase (salary inflation) 4
	Legal Shared Service	Anticipated increase (salary inflation) 56
	Procurement Shared Service	Anticipated increase (salary inflation) 52
	Business Services Shared service	Increase to contract price for HR and Finance shared services 290
	IT Shared Service	Increases to contract price 1,410
	Technology Group	Cost of transition to full IT shared service 3,108
	City Intelligence Unit	Savings identified from ONS spend (294)
	External Relations	4 previously created posts in digital marketing 300
	Strategic Partnerships	Balance to fully fund 1 existing FTE in London's European Office 60
		Mayor's and officers' international travel budget reinstated to pre-COVID levels 105
		Work to develop infrastructure and ways of working underpinning London Missions 120
	Mayor's Office	Post-election changes to Mayor's Office structure 763
Growth in Core		9,827
Total budgeted growth		121,612

4. DELIVERY FOR LONDONERS – 14 STRATEGIC PROGRAMMES

- 4.1 In the GLA budget for 2024-25, we introduced a thematic approach to our presentation of priorities and resources in the GLA budget. These themes were: safety; housing; transport; social justice; environment; health; skills; children and young people; the economy; and global city and culture. These themes capture the main outcomes the Mayor would like to see for all Londoners.
- 4.2 The GLA has now defined a number of London-level, long-term outcomes which reflect Londoners' aspirations for the city and to which the GLA, in partnership with others, is working towards. We are developing 14 strategic, high-level programmes to ensure that the GLA, in partnership with others, works towards these aspirations.
- 4.3 The Mayor has made it clear, in his mandate for each programme, how he wants the work of the GLA, in partnership, to contribute to these London-level outcomes.
- 4.4 This budget allocates revenue and capital against the 14 GLA programmes. It does not present the detailed activity of each delivery plan being produced in response to the Mayor's mandates. These delivery plans will be published as Mayoral Decisions over the next few weeks, based on the allocations contained in this budget.
- 4.5 These programmes are cross-cutting, and in most cases will deliver against outcomes across more than one theme. We have moved, therefore, to a presentation of the 14 programmes which makes clear the outcomes to which each contributes.

Building more homes

Building more homes	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	4.9	3.1	3.0
Reserves	0.7	0.7	-
External income	14.1	14.2	15.3
Total revenue spend	19.7	18.0	18.3
Capital	1,292.4	1,092.9	1,066.4

- 4.6 The core London-level outcome to which this programme will contribute is: Londoners live in homes they can afford. This reflects the importance of building more homes in London, particularly social and other forms of affordable housing, to address an overall imbalance of housing supply and demand, which is making housing more unaffordable in our city.
- 4.7 This programme will also make a substantive contribution to the wider London-level outcomes: Londoners are not homeless; Londoners' homes are safe and decent; and stable, long-term economic growth benefits all of London's communities.
- 4.8 The delivery plan for this programme will describe how the GLA will work across the housing sector and in close collaboration with London boroughs and central government to understand and demolish the barriers to housing delivery across all tenures. It will include activity towards meeting the Mayor's commitment to build 40,000 new council homes, build 6,000 "rent control" homes for key workers by 2030 and establish a new City Hall developer.

Making best use of land

Making best use of land	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	1.4	1.0	1.0
Reserves	-	-	-
External income	1.0	0.5	0.5
Total revenue spend	2.3	1.4	1.4
Capital	4.0	7.4	-

- 4.9 The core London-level outcomes to which this programme will contribute are: Londoners live in homes they can afford; stable, long-term economic growth benefits all of London's communities; and Londoners live in neighbourhoods that are well planned and designed.
- 4.10 The delivery plan for this programme will reflect the key role of the London Plan and associated delivery mechanisms in helping to deliver homes, create jobs and promote sustainable growth.
- 4.11 But the potential impacts of the London Plan are sufficiently broad that this programme will affect a very wide range of outcomes, including most substantively: London is a net-zero carbon city; London is a world-leading global city; Londoners can enjoy green and wild spaces across the capital; London is resilient to extreme weather and the impacts of climate change; and Londoners feel able to take part in the city's cultural life.

Improving London's housing stock

Improving London's housing stock	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	6.9	3.9	3.9
Reserves	-	-	-
External income	5.7	5.6	5.6
Total revenue spend	12.6	9.5	9.5
Capital	310.0	295.2	145.0

- 4.12 The core London-level outcomes to which this programme will contribute are: Londoners' homes are safe and decent, and London is a net-zero carbon city.
- 4.13 The delivery plan for this programme will consider how to harness the benefits of bringing together work on improving London's existing housing stock and to coordinating engagement and interventions affecting boroughs, asset owners and households.

Reducing inequalities

Reducing inequalities	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	12.3	12.2	10.8
Reserves	-	-	-
External income	0.3	0.3	0.4
Total revenue spend	12.6	12.5	11.1
Capital	-	-	-

- 4.14 The core London-level outcomes to which this programme will contribute are: all Londoners are treated fairly and with dignity; Londoners' incomes meet their everyday needs; Londoners can have a say in the running of the city; Londoners live in a city that supports their mental and physical health; and Londoners have access to a health and care system that supports them when they need it.

- 4.15 The delivery plan for this programme will lay out how the GLA will prioritise working with others to reduce inequality; support the GLA Group's efforts to tackle structural and health inequalities; and intervene where necessary to directly support Londoners.

Accommodation and wider support for those who need it most

Accommodation and wider support for those who need it most	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	15.0	18.8	17.8
Reserves	0.4	-	-
External income	52.5	11.1	7.5
Total revenue spend	67.8	30.0	25.2
Capital	-	-	-

- 4.16 The core London-level outcomes to which this programme will contribute are: Londoners are not homeless; Londoners live in homes they can afford; and Londoners are treated fairly and with dignity.
- 4.17 The delivery plan for this programme will recognise the benefits of a cross-cutting and partnership-based approach and the importance of working closely with London Councils and the wider sector.

Reducing non-residential emissions

Reducing non-residential emissions	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	12.9	12.8	12.8
Reserves	-	-	-
External income	0.3	0.3	0.3
Total revenue spend	13.1	13.1	13.1
Capital	-	-	-

- 4.18 The core London-level outcome to which this programme should contribute is: London is a net-zero carbon city.
- 4.19 This programme will also make a substantive contribution to the wider London-level outcomes: London's economy has the skills it needs to thrive; Londoners have access to good work; London is a world-leading global city; Londoners are breathing clean air; and London is resilient to extreme weather and the impacts of climate change.
- 4.20 The delivery plan for this programme will support a just transition to net-zero, which recognises the disproportionate impact climate change can have on disadvantaged communities and ensures that the economic, health and environmental outcomes benefit all Londoners. The programme will focus on action to reduce emissions from London's public, commercial and industrial estates, including its waste systems.

Delivering a greener, more climate-resilient London

Delivering a greener, more climate-resilient London	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	2.5	5.6	3.9
Reserves	6.1	6.1	6.1
External income	1.7	1.6	1.6
Total revenue spend	10.3	13.3	11.6
Capital	-	-	-

- 4.21 The core London-level outcomes to which this programme should contribute are: Londoners can enjoy green and wild spaces across the capital; and London is resilient to extreme weather and the impacts of climate change.
- 4.22 This programme will also make a substantive contribution to the wider London-level outcomes: Londoners live in neighbourhoods that are well-planned and designed; London is a world-leading global city; and Londoners live in a city that supports their mental and physical health.

Cleaning London's air

Cleaning London's Air	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	1.7	1.7	1.7
Reserves	-	-	-
External income	-	-	-
Total revenue spend	1.7	1.7	1.7
Capital	0.3	0.3	-

- 4.23 The core London-level outcome to which this programme will contribute is: Londoners are breathing clean air.
- 4.24 This programme will also make a substantive contribution to the wider London-level outcomes: Londoners live in a city that supports their mental and physical health; children and young Londoners achieve the health and learning outcomes they need to thrive at every stage of development; London is a world-leading global city; and London is a net zero carbon city.
- 4.25 The delivery plan for this programme will recognise all the partners required to ensure success. This includes the GLA Group, London boroughs, businesses and other organisations, such as philanthropic, community and campaign groups. It will also be consistent with the Mayor's commitment to keep the same London-wide ULEZ standards over the next four years and to rule out the introduction of a pay-per-mile smart road user charging system.

Supporting Londoners to benefit from growth

Supporting Londoners to benefit from growth	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	9.1	8.3	8.3
Reserves	-	-	-
External income	330.5	330.4	330.4
Total revenue spend	78.9	56.6	56.6
Total Revenue Spend	418.4	395.3	395.3
Capital	-	-	-

- 4.26 The core London-level outcomes to which this programme will contribute are: Londoners have the skills they need to improve their lives; Londoners have access to good work; and London's economy has the skills it needs to thrive.
- 4.27 This programme will also make a substantive contribution to the wider London-level outcomes: stable, long-term economic growth benefits all of London's communities; Londoners' incomes meet their everyday needs; and Londoners live in a city that supports their mental and physical health.

- 4.28 The delivery plan for this programme will lay out how the GLA, working with partners, plans to create the conditions needed for London to have a more agile, employer-led careers, employment and skills eco-system, which provides opportunities for Londoners from all backgrounds to secure good work in targeted sectors – as described in the London Growth Plan.

Supporting and inspiring young London

Supporting and inspiring young London	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	159.6	158.8	161.5
Reserves	(3.4)	1.5	0.8
External income	0.0	0.0	0.0
Total revenue spend	156.2	160.2	162.3
Capital	-	-	-

- 4.29 The core London-level outcomes to which this programme will contribute are: children and young Londoners achieve the health and learning outcomes they need to thrive at every stage of development; children and young Londoners have the positive opportunities needed to be successful; and Londoners have the skills they need to improve their lives.
- 4.30 The delivery plan for this programme will set out how the GLA, working with partners, will support and inspire London's children and young people so that they: feel safe in order to thrive; are physically and mentally healthy; and are equipped with the knowledge, support and skills needed to have a good career.

Boosting London's growth sectors

Boosting London's growth sectors	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	16.9	16.6	16.5
Reserves	-	-	-
External income	22.0	0.5	0.5
Total revenue spend	38.9	17.1	17.1
Capital	20.1	-	-

- 4.31 The core London-level outcome to which this programme should contribute is: stable, long-term economic growth benefits all of London's communities.
- 4.32 This programme will also make a substantive contribution to the wider London-level outcomes: Londoners have access to good work; London's economy has the skills it needs to thrive; London is an attractive and high-quality destination for visitors; London is a world-leading global city; and London is a net-zero carbon city.
- 4.33 The delivery plan for this programme will lay out the GLA's contribution to the delivery of the London Growth Plan.

Helping local economies to thrive

Helping local economies to thrive	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	6.7	3.0	2.9
Reserves	-	-	-
External income	0.9	0.4	0.4
Total revenue spend	7.6	3.5	3.3
Capital	15.8	0.4	0.4

- 4.34 The core London-level outcome to which this programme will contribute is: high streets and town centres are thriving across London.
- 4.35 This programme will also make a substantive contribution to the wider London-level outcomes: stable, long-term economic growth benefits all of London's communities; Londoners have access to good work; Londoners live in neighbourhoods that are well planned and designed; Londoners feel able to take part in the city's cultural life; and London is a net zero carbon city.
- 4.36 The delivery plan for this programme will reflect the key role of London's local SMEs in generating employment opportunities and sustainable growth in the areas of the economy that provide the goods and services essential for everyday life.

Upgrading London's infrastructure

Upgrading London's infrastructure	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	1.6	1.6	1.6
Reserves	-	-	-
External income	3.2	2.7	2.7
Total revenue spend	4.8	4.3	4.3
Capital	-	-	-

- 4.37 The core London-level outcomes to which this programme should contribute are: London is a net-zero carbon city; London is resilient to extreme weather and the impacts of climate change; Londoners live in homes they can afford; stable, long-term economic growth benefits all of London's communities.
- 4.38 The delivery plan for this programme will focus primarily on energy (including heat networks), water and digital connectivity infrastructure, alongside the delivery of new technologies like data centres and EV charging points. Transport infrastructure will be addressed elsewhere, except for specific areas that fit better in this programme, such as street works.

Celebrating London

Celebrating London	2025-26 £m	2026-27 £m	2027-28 £m
GLA base funding	38.0	18.9	19.6
Reserves	(18.6)	0.6	4.4
External income	2.4	2.3	2.3
Total revenue spend	21.8	21.8	26.3
Capital	14.6	25.1	0.1

- 4.39 The core London-level outcomes to which this programme will contribute are: Londoners feel able to take part in the city's cultural life; and London is a world-leading global city.

It will also make a contribution to making London an attractive and high-quality destination for visitors.

- 4.40 The delivery plan for this programme will recognise all the communities, partners and organisations required to deliver events and activities safely, as well as ensuring that where possible, we are procuring services locally and/or from organisations that actively promote equality and understand and represent London's diverse communities.

5. CORE FUNCTIONS

- 5.1 The cost of our core functions comprises the costs of:
- carrying out our statutory functions
 - running an organisation that is fit for purpose in light of the GLA's overall role and responsibilities, and the Mayor's priorities.
- 5.2 We aim to keep these costs as low as practicable, to ensure we make the best use of our available resources in delivering priority outcomes for Londoners. However, there are some pressures that need to be met.
- 5.3 We are presenting the core functions, and their associated costs, in the same structure and level of detail as we did in the 2024-25 budget. This makes it clear how this funding is deployed, and the reasons behind any proposed uplifts from the 2025-26 plan.
- 5.4 The make-up of core functions is almost identical to the 2024-25 budget. There are just two changes:
- the cost of the London Resilience team (which transferred from LFB and merged with City Operations in June 2024) is now included; this is funded through a transfer of resources in the GLA Group funding formula
 - some of the funding related to strategic planning has been removed, as it now sits more appropriately in the Making best use of land programme.
- 5.5 Core functions teams and costs are organised into eight categories:
- teams delivering GLA-wide enabling services, both directly and via contracts with other organisations in the GLA Group
 - teams supporting our strategic work and interactions with others
 - teams delivering the GLA's statutory and oversight obligations
 - the Mayor's Office
 - budget for the annual pay award
 - statutory events
 - the Crystal Palace National Sports Centre (CPNSC)
 - GLA elections.
- 5.6 The table below illustrates the headline costs by category:

	2024-25 Budget £000 Net	2025-26 Plan £000 Net	2025-26 Budget £000 Net	2026-27 Plan £000 Net	2027-28 Plan £000 Net
Core Functions					
Enabling Services	50,616	48,761	57,781	52,355	52,084
Teams supporting strategic work	13,335	13,046	12,782	12,526	12,530
Teams fulfilling statutory obligations	6,011	6,102	7,213	7,276	7,295
Mayor's Office	5,842	5,846	6,605	6,651	6,902
Budget for pay award	372	3,144	5,432	8,042	10,544
Statutory Events	1,288	1,302	1,492	1,490	1,490
Crystal Palace National Sports Centre	1,858	1,879	1,862	1,842	1,842
GLA elections	27,808	150	150	150	150
Total Core	107,130	80,230	93,318	90,332	92,837

5.7 We charge each externally funded post £9,000 per annum, as a contribution to the cost of our corporate services. These charges are forecast to generate approximately £3.5 million in 2025-26. In the budget, this is allocated, as appropriate, to the People Function; the Technology Group and Finance and Facilities Management (FM). This is shown as a reduction to the expenditure in each service budget, rather than income. This is to avoid distorting the view of external income received by the organisation. The distribution of this recharge income is demonstrated in Appendix F.

5.8 Net costs for 2025-26 are set to increase, from the £80.2 million expected in the plan issued alongside the 2024-25 budget in March, to £93.3 million in this budget. Of this, £1.1 million is attributable to the costs of the transferred Resilience team. The overall uplift proposed as a result of this budget is £12.0 million.

5.9 Over and above the uplifts to core functions here, some team budgets reflect growth on account of the contractual, annual increments due to any employee who has not reached the top of their pay grade. This costs around £1.6 million across the entire organisation in 2025-26. Teams are disproportionately impacted where the overall team budgets are small; and where staff, on average, have a lower length of service. We have not included these contractual increases in our commentary.

Teams delivering GLA-wide enabling services, both directly and via contracts with other organisations in the GLA Group

5.10 Our Corporate Management Team (CMT), Digital Experience, Facilities Management, Finance, People Function, and Governance units are in this category, as are the contracts we have for associated services with other organisations in the GLA Group.

		2024-25	2025-26	2025-26	2026-27	2027-28
		Budget	Plan	Budget	Plan	Plan
		£000	£000	£000	£000	£000
Core Functions		Net	Net	Net	Net	
Enabling Services						
CMT		7,709	7,985	8,840	8,410	8,411
	<i>In house costs</i>	6,209	6,485	7,340	6,910	6,911
	<i>Transformation</i>	1,500	1,500	1,500	1,500	1,500
Digital Experience	<i>In house costs</i>	7,552	6,810	8,881	8,000	8,000
Technology Group		5,278	3,950	6,796	4,065	3,798
	<i>In house costs</i>	1,878	950	3,136	405	138
	<i>Shared service costs</i>	3,400	3,000	3,660	3,660	3,660
Facilities Management		11,042	11,187	11,818	11,770	11,770
	<i>In house costs</i>	10,682	10,825	11,456	11,405	11,405
	<i>Shared service costs</i>	360	362	362	365	365
Finance		6,796	6,940	7,211	7,305	7,302
	<i>In house costs</i>	4,085	4,229	4,260	4,309	4,306
	<i>Shared service costs</i>	1,273	1,273	1,288	1,288	1,288
	<i>External Audit</i>	675	675	849	849	849
	<i>Insurance</i>	763	763	814	859	859
People Function		6,642	6,284	7,387	5,945	5,945
	<i>In house costs</i>	3,778	3,620	4,726	4,084	4,084
	<i>Shared service costs</i>	1,864	1,864	1,861	1,861	1,861
	<i>Job families</i>	1,000	800	800	0	0
Governance				755	761	759
Information Governance and Assurance		261	269	347	353	353
Internal audit		200	200	204	204	204
Legal		2,796	2,796	3,142	3,142	3,142
Procurement		2,340	2,340	2,400	2,400	2,400
Enabling Services total		50,616	48,761	57,781	52,355	52,084

CMT

- 5.11 This budget line comprises the costs of the GLA's Chief Officer and Executive Directors; and the Executive Support team, which provides executive assistant support to senior staff in the Mayor's Office, the Chief Officer, and Executive Directors. The £0.4 million increase in costs over the 2025-26 plan includes £0.3 million agreed in-year to fund three additional posts in the Executive Support team, when we increased the number of senior staff supported by this team. The Chief Officer's Transformation Fund will continue to be funded at £1.5 million per annum; and will itself continue to fund some additional capacity in the Internal Communications team (given the scale of the change programme we manage). The CMT budget also contains a £3.0 million contingency to mitigate several corporate risks, including the cost of backfilling for maternity and other leave. We continue to hold this fund at this level while we complete several current transformation programmes – including the implementation of Job Families, for which we expect to draw on this fund materially in 2025-26 and 2026-27.

Digital Experience Unit

- 5.12 The DEU budget now does not include the Technology Group budget which has been separated out. There is no increase to the DEU budget but there is some structural change. There is a £0.9 million increase as a result of transferring responsibility for the GLA's OPS system (used to pay a range of housing, skills and other providers) transferred to the DEU. This was moved from the City Intelligence Unit (CIU), as discussed further below. The £0.5 million budget for the further implementation of the Success Factors system which is part of the SAP suite has been transferred into People Function.

Technology Group

- 5.13 It was expected that the full transfer of IT transactional services from the GLA Technology Group (TG) to TfL would be completed during 2024-25. This has been delayed and is now anticipated to complete during 2025-26. This is in part, but not wholly, on account of the cyber-attack on TfL.
- 5.14 The budget for TG, which was expected to largely have ended by 2025-26, has increased by a net £1.5 million compared with 2024-25 budget. The increase comprises of growth allocations of £1.4 million and £3 million (table at 3.7) netted off against prior year one-off allocations within the 2024-25 budget. The growth items are due to the replanning of the transfer of services to TfL, following delays caused in part by the TfL cyber incident, and includes an increase to the shared service cost as a result of enhanced cyber security measures.

Facilities Management

- 5.15 The FM unit provides a range of accommodation, security and other services to the GLA; and manages Trafalgar and Parliament Squares. FM has been allocated £0.6 million additional funding in this budget, over and above the 2025-26 plan. This is primarily to cover inflationary rises either built into contracts or arising from a retendering of services. We have also made provision for early costs related to planning for our move from Union Street to Palestra in 2026-27.

Finance

- 5.16 The Finance team provides financial services and treasury management expertise; and supports the Mayor in managing GLA Group finance and performance. The team contracts with TfL for the provision of finance transactional services.
- 5.17 The Finance team manages the GLA's relationship with the GLA's external auditors and the GLA's insurers. This budget allocates an additional £0.2 million to the cost of external audit. This is in light not only of inflation in audit fees, but also additional work that the External Audit team will want to undertake following the cyber-attack on TfL. Insurance costs are anticipated to increase by £0.05 million in 2025-26. We have also budgeted £0.02 million to ensure that our Money Laundering Reporting Officer can fulfil their statutory obligations.
- 5.18 Costs associated with supporting Mayoral Boards are included under governance and performance within Finance. These are being increased by £0.1 million to reflect the creation of two new posts to support Mayoral work, including the London missions being established by the London Partnership Board. These posts will be created in the Assembly's Committee Services team, which also provides secretariat services to Mayoral Boards.

People Function

- 5.19 The People Function provides strategic advice and a range of specialist services, including: casework support; workforce planning advice; talent-management interventions; and other key work strands as planned. The team contracts with TfL for the provision of payroll, recruitment and MyHR portal services.
- 5.20 £0.42 million additional funding has been allocated in this budget to the People Function over and above the 2025-26 plan. This comprises:
- £0.2 million to cover the cost of employee health screening, which was overspent in the current year

- £0.2 million to retain three employee relations caseworkers for a further year only, while we tackle the reasons behind a significantly increased caseload in recent months
- £0.02 million for workplace adjustment.

- 5.21 £0.2 million of costs associated with apprenticeship posts have been transferred from directorate budgets to the People Function. The impact of this change is net nil to the overall budget as it is a reallocation of costs rather than additional expenditure.
- 5.22 The People Function continues its work to introduce Job Families to the GLA, to ensure that all our posts are graded appropriately relative to each other. This work will also ensure that staff can better understand the career development opportunities open to them, and what is required to progress along particular career paths.
- 5.23 A budget of £0.5 million related to the implementation of Success Factors, part of the SAP technology suite, has been transferred into People Function.
- 5.24 As in last year's budget, the Apprenticeship Levy (paid as a proportion of our payroll costs) is included in our People Function costs. This is budgeted at £0.5 million for 2025-26.

Information Governance

- 5.25 The Information Governance team supports the GLA to manage its data securely; and comply with legislation, including Freedom of Information (FOI) and data protection law. An increase of £0.1 million to the Information Governance budget reflects the intention to appoint a new Knowledge and Information Management Officer.

Internal audit, legal and procurement services

- 5.26 The GLA's internal audit services are provided by MOPAC. Its legal and procurement services are provided by TfL. This budget allocates an additional £0.4 million to these services, reflecting pay inflation in the two host organisations as well as the anticipated costs of additional legal advice during the year. Legal costs are an estimate and updated with actual charges and recharged as appropriate during the year.

Teams supporting our strategic work and interactions with others

	2024-25 Budget	2025-26 Plan	2025-26 Budget	2026-27 Plan	2027-28 Plan
Core Functions	£000	£000	£000	£000	£000
	Net	Net	Net	Net	
Teams supporting strategic work					
Teams supporting strategic work					
City Intelligence Unit	5,779	5,724	4,339	4,138	4,138
External Relations	5,776	5,705	5,352	5,330	5,334
Strategic Partnerships	1,780	1,617	3,091	3,058	3,058
Teams supporting strategic work total	13,335	13,046	12,782	12,526	12,530

- 5.27 The CIU, External Relations and Strategic Partnerships units are in this category.
- 5.28 The CIU provides insight and analysis to the Mayor of London and the GLA Group. Through a wide range of approaches, the unit supports deep understanding of London's people, economy and place in the world, and its future. We transferred £0.9 million to the DEU in-year, in relation to the OPS system. We are reducing the funding to the CIU in this budget by £0.4 million; this is to fund increased resource in the Strategic Partnerships Unit, which we describe below. We are also realising savings of £0.2 million.

- 5.29 The External Relations Unit supports the GLA in communicating the Mayor's vision and strategies to Londoners. The unit is responsible for the GLA's strategic communications; marketing campaigns; creative communications (design and copywriting); digital communications; press office; and internal communications. This budget also holds the staff cost for the Events team. This budget allocates £0.3 million to fund four previously created posts in this team.
- 5.30 The Strategic Partnerships Unit comprises:
- the International Relations team, which supports the Mayor and the GLA to engage with other cities on tackling global challenges and matters of mutual interest
 - the Public Affairs and Strategic Partnership team, which helps to maximise the effectiveness of the Mayor's and the GLA's engagement with London boroughs, central government and parliamentarians
 - the Public Liaison Unit, which manages all the public correspondence that comes to the Mayor and the GLA
 - the London European Office (now 1 FTE), which supports TfL and the GLA on matters arising from, and initiatives within, the European Union.
- 5.31 An additional £0.1 million is being allocated to restore the budget available for international travel by the Mayor and officers to its pre-COVID-19, real-terms level. A further £0.1 million is being allocated to fully fund the one existing FTE in the London European Office, rather than relying on TfL to part-fund this post. A further £0.2 million is being redeployed from the CIU, to ensure that the Strategic Partnerships Unit has the resource to support the GLA's work with the new government and the creation and work of London Mission Boards. Finally, a new £0.1 million has been allocated for consultancy support to the GLA and London Councils to develop jointly the right infrastructure and ways of working to underpin the London Missions.

Teams delivering the GLA's statutory and oversight obligations

Core Functions	2024-25	2025-26	2025-26	2026-27	2027-28
	Budget	Plan	Budget	Plan	Plan
	£000	£000	£000	£000	
	Net	Net	Net	Net	
Teams fulfilling statutory obligations					
<i>London Resilience</i>	1,544	1,627	3,005	3,050	3,050
<i>Fire</i>	580	586	558	565	565
<i>Statutory Planning</i>	3,887	3,889	3,650	3,661	3,680
Teams fulfilling statutory obligations total	6,011	6,102	7,213	7,276	7,295

- 5.32 Our London Resilience and Fire Units, and our statutory planning function come into this category.
- 5.33 The London Resilience Unit supports the London Resilience Partnership by:
- providing medium-to-long-term planning of resilience policy and strategy for London
 - working with national and regional partners, providing access to real-time monitoring and identification of critical information and incidents
 - ensuring the GLA meets its responsibilities under the Civil Contingencies Act, including support for the London Resilience Forum.

- 5.34 This budget is now increased by £1.1 million, in light of the merger between the Resilience team (formerly part of LFB) and City Operations. In setting up the new team some posts have been transferred from other areas, adding a further £0.2 million to this budget line.
- 5.35 The GLA Fire Unit supports the Deputy Mayor for Planning, Regeneration and the Fire Service to hold LFB to account. This includes through the scrutiny work of the Deputy Mayor's Fire Board to assure Londoners about LFB's progress on high-profile areas, such as the recommendations of the Grenfell Tower Inquiry.
- 5.36 The GLA's statutory planning function supports the Mayor in the use of his planning powers, including his role in planning applications across London; and the development and implementation of the London Plan. Staff from this function also support the Mayor and Deputy Mayor for Planning, Regeneration and the Fire Service in the conduct of hearings, appeals, judicial reviews and local plan inquiries.

Other core functions

	2024-25 Budget	2025-26 Plan	2025-26 Budget	2026-27 Plan	2027-28 Plan
Core Functions	£000 Net	£000 Net	£000 Net	£000 Net	
Other Core					
The Mayor's Office	5,842	5,846	6,605	6,651	6,902
Proposed pay award	372	3,144	5,432	8,042	10,544
Statutory Events	1,288	1,302	1,492	1,490	1,490
Crystal Palace National Sports Centre	1,858	1,879	1,862	1,842	1,842
GLA elections	27,808	150	150	150	150
Total Other Core Functions	37,168	12,321	15,541	18,175	20,928

Mayor's Office

- 5.37 The Mayor's Office directly supports the Mayor and the Mayoral Advisors. A number of changes have been made in this directorate, following the GLA elections. An allocation of £0.8 million towards the cost of this has been included in this budget.

Budget for the 2025-26 pay award

- 5.38 We assumed, in the 2025-26 plan, the equivalent of a 2 per cent pay award for all staff. After actioning the required adjustments to the approved budgets at the start of 2024-25, there was a small residual sum left in this budget. This allows us to fund the equivalent of a 2.5 per cent award for all staff for 2025-26. The final pay award is subject to negotiation with UNISON.

Statutory events

- 5.39 This budget relates to the staffing of the core events team; and the running costs of the GLA's statutory events, including People's Question Time; the State of London Debate; and several anniversaries that the GLA marks each year.

The Crystal Palace National Sports Centre

- 5.40 The CPNSC was inherited from the London Development Agency. The operational budget remains unchanged from that in the 2025-26 plan. The Mayor is committed to renovate and decarbonise the centre and the major project to deliver this continues on schedule.

GLA elections

- 5.41 There will be very little expenditure related to GLA elections in 2025-26. Expenditure in 2026-27 will depend on whether the GLA elections in 2028 will be counted manually (as in 2024) or revert to being counted electronically (as in previous elections). This decision needs to be taken by June 2025, after which expenditure plans may need to be reprofiled. The reserves plan includes a £10.0 million injection into the reserve to reinstate it to its planned position, following a higher than anticipated cost associated with the 2024 election. Future years' contributions to the reserve have also been increased by £2.5 million per annum to allow for this higher cost in future elections. This does not appear as expenditure in the financial year, but is funded from this year's budget allocation and set aside for future spend.

Capital expenditure

- 5.42 There are several capital programmes within core functions:

Core - capital	Budget 2025-26 £000	Plan 2026-27 £000	Plan 2027-28 £000
City Hall Infrastructure	500	1,000	200
Trafalgar and Parliament Sq.	1,200	1,000	200
ICT Infrastructure	-	-	1,000
PC Laptop Replacement	200	667	900
Printer	300	-	52
Telephony	-	-	100
Crystal Palace National Sports Centre	12,000	45,000	45,000
Group Capital Pressure	34,000	-	-
	48,200	47,667	47,452

- 5.43 City Hall infrastructure represents FM's capital costs of maintaining City Hall and other office locations.
- 5.44 The Trafalgar and Parliament Squares costs represent FM's capital costs of maintaining the squares.
- 5.45 The ICT infrastructure, laptop, printer and telephony costs relate to the cost of acquiring servers and equipment used by GLA staff.
- 5.46 The capital budget listed for the CPNSC is the anticipated contribution from the GLA towards a major refurbishment programme which is likely to extend over several years. Other streams of funding will also be contributing towards this programme.
- 5.47 Group Capital Projects refers to expenditure drawn down from the appropriate reserve to cover costs of capital projects across the Group which have been impacted by inflation and other pressures.

6. EQUALITIES IMPLICATIONS

- 6.1 Under section 149 of the Equality Act 2010 (the Equality Act), as a public authority, the Mayor must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; and to advance equality of opportunity, and foster good relations, between people who share a protected characteristic and those who do not. This is known as the Public Sector Equality Duty (PSED). Protected characteristics under the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status (the duty in respect of this last characteristic is to eliminate unlawful discrimination only). Compliance with the PSED may involve treating people with a protected characteristic more favourably than those without the characteristic. Section 33 of the Greater London Authority Act 1999 (the GLA Act) also requires the Authority to ensure that there is due regard to the principle of equality of opportunity for all people, in the formulation of policies and proposals.
- 6.2 In line with best practice, and with Inclusive London (the Mayor's refreshed equality, diversity and inclusion strategy), the impact on groups who also have the potential to be socially excluded (for example, people on low incomes or from particular communities) should also be considered. While these specific attributes are not protected under the Equality Act, evidence highlights how they can impact on Londoners' wellbeing; and hinder some people and communities from participating in London's society. There may also be factors that are common to people with protected characteristics. The decisions outlined in this budget have been taken in accordance with these principles of equality, diversity and inclusion.
- 6.3 Accordingly, the 14 strategic, high-level, GLA led programmes set out in this budget reflect the priorities of the GLA and ensure that, in partnership with others, the GLA works towards the aspirations that Londoners have for the city and that inequalities are addressed in every aspect of the organisation's work:
- **Building more homes:** this programme aims to increase the availability of affordable, safe, and high-quality homes of all tenures for all Londoners, particularly addressing the needs of lower-income, vulnerable and marginalised groups.
 - **Making best use of land:** this programme will develop a new London Plan that will prioritise enabling housing delivery and unlocking economic growth. This will contribute to the delivery of affordable homes that all Londoners need.
 - **Improving London's housing stock:** this programme will bring together and coordinate work to improve home energy efficiency, standards and conditions for the benefit of all Londoners, prioritising the social housing sector. The programme also continues to advocate for justice for the bereaved, survivors and the wider Grenfell community and to work with the government and partners to accelerate the pace of cladding remediation.
 - **Reducing inequalities:** this programme aims to reduce structural and health inequalities and contributes to the London-level outcome that all Londoners are treated fairly and with dignity. A health-in-all-policies approach, focused on tackling health inequalities, is also embedded across all programmes, stewarded by the GLA Group Public Health Unit.

- **Accommodation and wider support:** this programme aims to support Londoners who face the most acute barriers to accessing safe and appropriate accommodation and support – the highest priority groups being people sleeping rough; survivors of domestic abuse; and vulnerable migrants. By strengthening partnerships, convening diverse stakeholders, and working to enhance access to services, the GLA aims to enhance dignity, fairness, and participation in city life for all Londoners.
- **Reducing non-residential emissions:** this programme will contribute to London's net-zero ambitions and to tackling the disproportionate impact climate change can have on disadvantaged communities by ensuring they benefit from improvements in energy efficiency and green infrastructure initiatives. The focus on sustainable infrastructure, public building retrofitting, and waste reduction also aims to create a more equitable, climate-resilient city.
- **Delivering a greener, more climate-resilient London:** this programme will help make London more resilient to the impacts of climate change, expand access to green places and help nature to flourish by convening and enabling partners to deliver. This will aim to ensure that London adapts effectively to the unavoidable impacts of climate change, which are felt disproportionately by the most vulnerable and disadvantaged Londoners.
- **Cleaning London's air:** this programme will help to ensure London is on the path to net-zero carbon emissions by 2030; responding to the climate and ecological emergencies; and improving London's air quality to meet World Health Organisation guidelines across the city and protect the health of Londoners.
- **Supporting Londoners to benefit from growth:** this programme is orientated around creating the right conditions for a more agile, employer-led careers employment and skills-ecosystem in London. By improving access to quality careers advice and training opportunities it aims to ensure Londoners from all backgrounds can access good work in growth sectors.
- **Supporting and inspiring young London:** this programme focusses on delivering activity that will support all young Londoners to thrive. It provides resources for young people most at risk to access positive activities and opportunities which support them to reach their potential. It also extends funding to ensure no primary-school child misses out on nutritious lunches, addressing food insecurity across socioeconomic lines, and will work with partners to support young people from under-represented backgrounds with routes in work in key growth sectors.
- **Boosting London's growth sectors:** this programme will contribute to the delivery of the London Growth Plan which aims to secure stable, long-term economic growth that works for all of London's communities. It will support innovative businesses to grow, to ensure that advice and support is targeted at those who need it most and sets a target of helping to create more than 150,000 good jobs by 2028.
- **Helping local economies to thrive:** this programme focusses on building capacity to generate local employment opportunities and delivering our commitment to good growth while ensuring London's economy works for all Londoners. It focusses on helping underrepresented entrepreneurs and small businesses in growth sectors to access critical support and resources. It also addresses barriers to growth such as

affordable workspace, which particularly helps local economies and SMEs in underserved areas.

- **Upgrading London's infrastructure:** this programme aims to ensure London benefits from the modern, efficient and resilient infrastructure needed to improve economic growth, housing delivery and the quality of life of Londoners, and that our infrastructure networks respond effectively to the climate crisis. Projects will be planned collaboratively with underserved communities to secure investment in infrastructure and new services that reflect their needs and enhance equal access for all.
- **Celebrating London:** this programme will deliver a programme of activity that represents and celebrates the diverse communities of the city through diverse celebrations and community events., working to promote London as a world-leading city; supporting our cultural and creative institutions; promoting tourism; and strengthening London as a world-leading destination for business and leisure. It positively impacts equality by promoting inclusive cultural participation, ensuring that all Londoners feel represented and connected to the city.

7. APPENDICES

A – Directorate budgets by programmes

Draft Budget 2025/26

Programmes	Directorate								
	Chief Finance Officer £000's	Chief Officer £000's	Communities & Skills £000's	Corporate Resources £000's	Good Growth £000's	Housing & Land £000's	Mayor's Office £000's	Strategy & Communications £000's	Total £000's
Building more homes	-	-	-	-	-	19,702	-	-	19,702
Making best use of land	-	-	-	-	1,148	1,159	-	-	2,307
Improving London's housing stock	-	-	-	-	6,565	5,999	-	-	12,564
Reducing inequalities	-	-	12,000	-	642	-	-	-	12,642
Accommodation and wider support for those who need it most	-	-	1,397	-	-	66,436	-	-	67,833
Reducing non-residential emissions	-	-	-	-	13,139	-	-	-	13,139
Delivering a greener, more climate-resilient London	-	-	-	-	10,335	-	-	-	10,335
Cleaning London's air	-	-	-	-	1,730	-	-	-	1,730
Supporting Londoners to benefit from growth	-	-	417,728	-	714	-	-	-	418,442
Supporting and inspiring young London	-	-	155,940	-	210	-	-	-	156,150
Boosting London's growth sectors	-	-	-	-	38,899	-	-	-	38,899
Helping local economies to thrive	-	-	-	-	7,577	-	-	-	7,577
Upgrading London's infrastructure	-	-	-	-	4,813	-	-	-	4,813
Celebrating London	-	-	85	-	12,042	-	-	9,676	21,803
Core	18,892	3,378	588	46,808	7,110	4,198	6,705	20,410	108,089
Group Collaboration	-	8,096	-	-	-	-	-	-	8,096
Grand Total	18,892	11,474	587,737	46,808	104,924	97,494	6,705	30,086	904,121

The above table shows gross costs; income associated with each area is not netted-off.

B – Directorate budgets

Directorate	BUDGET 2024-25			BUDGET 2025-26		
	Expenditure £000's	Income £000's	Net £000's	Expenditure £000's	Income £000's	Net £000's
Chief Officer						
Core OMT	1,368	(14)	1,354	254	-	254
Elections	27,808	-	27,808	150	-	150
Mayoral Boards	1,091	(691)	400	1,295	(719)	576
Standards	172	-	172	179	-	179
Transformation Programme	1,559	-	1,559	1,500	-	1,500
Chief Officer Total	31,998	(705)	31,293	3,378	(719)	2,659
Communities & Skills						
Civil Society & Sport	3,677	-	3,677	5,338	-	5,338
Communities & Social Policy	14,759	(445)	14,314	10,779	(647)	10,132
Director of C&S	472	-	472	588	-	588
ESF	1,028	(789)	239	254	-	254
Group Public Health	1,282	(246)	1,036	1,415	(330)	1,085
Health & CyL	151,397	(10)	151,387	152,715	(10)	152,705
Skills & employment	84,361	(76,871)	7,490	79,660	(72,326)	7,334
Adult Skills Fund	346,281	(346,281)	-	336,988	(336,988)	-
Communities & Skills Total	603,257	(424,642)	178,615	587,737	(410,301)	177,436
Good Growth						
Coordination & Programme Unit	879	(48)	831	674	-	674
Culture & Creative Industries	15,666	-	15,666	16,527	(376)	16,151
Museum of London	-	-	-	-	-	-
Director, Good Growth	178	-	178	198	-	198
Economic Development	48,887	(34,286)	14,601	35,847	(22,407)	13,440
Environment	30,660	(731)	29,929	29,094	(276)	28,818
Planning & Regeneration	9,377	(3,602)	5,775	14,929	(4,130)	10,799
Transport, Infrastructure & Connectivity	7,632	(4,356)	3,276	7,655	(4,880)	2,775
Good Growth Total	113,278	(43,023)	70,255	104,924	(32,069)	72,855
Housing & Land						
Building Safety	4,648	(4,648)	-	5,686	(5,686)	-
Exec Director of Housing and Land	-	-	-	198	(79)	119
Investment and Operations	3,914	(754)	3,160	9,993	(5,838)	4,155
Programmes and Policy	6,468	(1,657)	4,811	-	-	-
Specialist Housing and Services	58,263	(46,250)	12,013	66,890	(52,281)	14,609
Land and Development	12,358	(9,212)	3,146	14,727	(10,274)	4,453
Housing & Land Total	85,650	(62,521)	23,130	97,494	(74,158)	23,336
Mayor's Office						
Communications	745	-	745	1,088	-	1,088
Deputy Mayors & lead Mayoral advisors	2,032	(28)	2,004	1,555	(30)	1,525
Mayoral Operations	1,257	-	1,257	1,374	-	1,374
Policy and Delivery	1,199	-	1,199	1,578	(55)	1,523
Political and Public Affairs	637	-	637	1,110	(15)	1,095
Mayor's Office Total	5,870	(28)	5,842	6,705	(100)	6,605
Chief Finance Officer						
Chief Finance Officer	1,930	-	-	12,646	(558)	12,088
ERP SAP Replacement	-	-	-	850	-	850
Financial Services	2,192	(451)	1,741	2,672	(361)	2,311
Group Finance & Performance	2,424	(297)	2,127	1,396	(334)	1,062
Treasury Services	2,707	(2,801)	(94)	1,742	(1,203)	539
Chief Finance Officer Total	9,252	(3,549)	5,703	19,306	(2,456)	16,850
Corporate Resources and Business Improvement						
Digital Experience Unit	7,960	-	7,960	8,881	-	8,881
Exec Dir Resource & Business Improvement	-	-	1,930	2,784	(14)	2,770
Facilities Management	13,243	(2,561)	10,682	14,084	(2,561)	11,523
The People Team	3,524	(196)	3,328	3,972	(196)	3,776
Information Governance & Assurance	-	-	-	347	-	347
Shared Services	18,645	(1,324)	17,321	12,822	(973)	11,849
Technology Group	2,246	(368)	1,878	3,504	(368)	3,136
Corporate Resources and Business Improvement Total	45,618	(4,449)	41,169	46,394	(4,112)	42,282
Strategy & Communications						
City Intelligence	6,026	(1,072)	4,954	5,001	(661)	4,339
Events for London	10,129	(2,078)	-	10,072	(1,988)	8,084
External Relations	5,162	(323)	4,839	5,675	(323)	5,352
Fire & Resilience	580	-	580	558	-	558
Government & EU relations	196	(80)	-	-	-	-
London Resilience	1,845	(301)	-	4,075	(1,069)	3,005
Major Sports Events	8,274	-	8,274	1,096	-	1,096
Public Affairs and Strategy	2,628	(27)	2,601	3,126	(27)	3,099
External Relations	-	-	-	12	(20)	(8)
Strategy & Comms Director	172	-	172	472	-	472
Strategy & Communications Total	35,011	(3,881)	31,130	30,086	(4,089)	25,997
Group Collaboration						
				8,096	-	8,096
Total Budget	929,933	(542,797)	387,136	904,121	(528,004)	376,117

Directorate	PLAN 2026-27			PLAN 2027-28		
	Expenditure £000's	Income £000's	Net £000's	Expenditure £000's	Income £000's	Net £000's
Chief Officer						
Core CMT	254	-	254	254	-	254
Elections	150	-	150	150	-	150
Mayoral Boards	1,302	(724)	578	1,300	(724)	576
Standards	183	-	183	183	-	183
Transformation Programme	1,500	-	1,500	1,500	-	1,500
Chief Officer Total	3,389	(724)	2,665	3,387	(724)	2,663
Communities & Skills						
Civil Society & Sport	6,842	-	6,842	6,292	-	6,292
Communities & Social Policy	10,508	(464)	10,044	9,120	(465)	8,655
Director of C&S	553	-	553	556	-	556
ESF	257	-	257	257	-	257
Group Public Health	1,435	(345)	1,090	1,439	(354)	1,085
Health & CyL	155,316	(10)	155,306	157,931	(10)	157,921
Skills & employment	56,479	(50,000)	6,479	56,478	(50,000)	6,478
Adult Skills Fund	336,988	(336,988)	-	336,988	(336,988)	-
Communities & Skills Total	568,378	(387,807)	180,571	569,061	(387,817)	181,244
Good Growth						
Coordination & Programme Unit	684	-	684	687	-	687
Culture & Creative Industries	15,574	(264)	15,310	16,220	(319)	15,902
Museum of London	-	-	-	-	-	-
Director, Good Growth	198	-	198	198	-	198
Economic Development	15,242	(957)	14,285	15,209	(957)	14,252
Environment	29,139	(273)	28,866	27,434	(273)	27,161
Planning & Regeneration	9,827	(3,713)	6,114	9,854	(3,713)	6,141
Transport, Infrastructure & Connectivity	7,000	(4,220)	2,780	7,008	(4,220)	2,788
Good Growth Total	77,664	(9,426)	68,237	76,610	(9,481)	67,129
Housing & Land						
Building Safety	5,613	(5,613)	-	5,630	(5,630)	-
Exec Director of Housing and Land	198	(79)	119	198	(79)	119
Investment and Operations	9,666	(5,803)	3,863	9,685	(5,808)	3,877
Programmes and Policy	-	-	-	-	-	-
Specialist Housing and Services	28,952	(10,835)	18,117	24,184	(7,165)	17,019
Land and Development	12,742	(10,182)	2,560	12,996	(11,253)	1,743
Housing & Land Total	57,171	(32,512)	24,659	52,693	(29,935)	22,758
Mayor's Office						
Communications	1,095	-	1,095	1,169	-	1,169
Deputy Mayors & lead Mayoral advisors	1,555	(30)	1,525	1,688	(30)	1,658
Mayoral Operations	1,387	-	1,387	1,402	-	1,402
Policy and Delivery	1,572	(55)	1,517	1,594	(55)	1,539
Political and Public Affairs	1,142	(15)	1,127	1,149	(15)	1,134
Mayor's Office Total	6,751	(100)	6,651	7,002	(100)	6,902
Chief Finance Officer						
Chief Finance Officer	14,889	(560)	14,329	17,392	(563)	16,829
ERP SAP Replacement	850	-	850	850	-	850
Financial Services	2,680	(361)	2,319	2,680	(361)	2,319
Group Finance & Performance	1,411	(334)	1,077	1,386	(334)	1,052
Treasury Services	1,791	(1,226)	565	1,841	(1,254)	587
Chief Finance Officer Total	21,621	(2,481)	19,140	24,149	(2,512)	21,637
Corporate Resources and Business Improvement						
Digital Experience Unit	8,000	-	8,000	8,000	-	8,000
Exec Dir Resource & Business Improvement	1,497	(14)	1,483	1,497	(14)	1,483
Facilities Management	14,036	(2,561)	11,475	14,036	(2,561)	11,475
The People Team	3,830	(196)	3,634	3,830	(196)	3,634
Information Governance & Assurance	353	-	353	353	-	353
Shared Services	12,822	(973)	11,849	12,822	(973)	11,849
Technology Group	773	(368)	405	506	(368)	138
Corporate Resources and Business Improvement Total	41,311	(4,112)	37,199	41,044	(4,112)	36,932
Strategy & Communications						
City Intelligence	4,800	(661)	4,138	4,800	(661)	4,138
Events for London	10,070	(1,988)	8,082	10,070	(1,988)	8,082
External Relations	5,653	(323)	5,330	5,657	(323)	5,334
Fire & Resilience	565	-	565	565	-	565
Government & EU relations	-	-	-	-	-	-
London Resilience	4,050	(999)	3,050	4,095	(1,044)	3,050
Major Sports Events	1,736	-	1,736	5,503	-	5,503
Public Affairs and Strategy	3,093	(27)	3,066	3,093	(27)	3,066
External Relations	12	(20)	(8)	12	(20)	(8)
Strategy & Comms Director	478	-	478	478	-	478
Strategy & Communications Total	30,456	(4,019)	26,437	34,272	(4,064)	30,208
Group Collaboration	8,096	-	8,096	8,096	-	8,096
Total Budget	814,837	(441,181)	373,656	816,315	(438,745)	377,570

C - External income (excluding Adult Skills Fund and UKSPF)

Directorate	Budget line	£000s
Chief Officers Directorate		25-26
	GLAP income recharge (Executive Director)	14
	GLAP income recharge (HR- All costs)	78
	MOPAC	93
	LLDC- Income	102
	OPDC- Income	25
	TfL Shared Service - Income	406
Chief Officers Directorate Total		719
Communities & Skills		
	Peer Outreach / Youth Participation	10
	Group Public Health - GLA partners	330
	Department for Education - Skills Bootcamp	20,000
	GBW Trailblazer - Economic Inactivity	20,000
	GBW Trailblazer - Youth Guarantee	10,000
	London Strategic Migration Partnership (UKVI) - Income	395
	Hong Kong Programme	187
	Careers and Enterprise Company	882
Communities & Skills Total		51,804
Good Growth		
	High Streets Data Service Income	451
	Local Nature Recovery	4
	DLUHC Local Growth Capacity Support	417
	LEP Growth Hub	440
	Post Local Enterprise Partnership (LEP) Funding Grant	234
	Energy Supply Company: London Power	272
	Mayor's Fund for London	283
	Infrastructure Coordination Service	2,660
	Ofwat Innovation Funding	530
	Road User Charge Appeals Service	1,690
	Planning DMV Income	244
	Planning Pre-App Income	2,958
	Data partnerships	60
Good Growth Total		10,243
Housing and Land		
	Building Safety - Income	5,530
	Programme & Policy Team (income)	1,616
	Investment and Operations Team (income)	743
	North East Area team - Income	1,209
	North West Area Team - Income	1,230
	South Area Team - Income	1,040
	Community Led Housing - Income	261
	Domestic Abuse - Income	21,560
	Seaside and Country - Income	176
	Single Homelessness Accommodation Programme	27,772
	Specialist and Supported Housing - other Income	1,047
	Estates TfL Shared Service - GLAP recharge	608
	Royal Docks Income	5,685
	Land & Development + Public Land team (income)	1,538
	Crystal Palace National Sports Centre Income	1,943
	Rough Sleeping Accommodation Programme	1,465
	Hsg Director (GLA)	79
Housing and Land Total		73,502
Mayors Office	Recharge income (Deputy Mayor for Housing))	100
Mayors Office Total		100
Resources		
	GLAP income recharge (FM & IT desk charge)	1,253
	Rental & Other Sales Income	1,308
	GLAP income recharge - non pay	444
	Recharge to functional bodies	120
	Shared Services	544
	GLP income recharge - Pay	14
		3,683
Chief Finance Officer		
	GLAP income recharges - staffing	451
	GLAP income recharges	362
	OPDC income recharge - staffing	110
	Crossrail (BRS/ MCL)	219
	NLE	41
	Debt Charges	750
	GS Fees	400
	GLAP income recharge (Group and Treasury Payments)	33
	Investment Income	1,619
Resources Total		3,985
Strategy & Communications		
	Census- Income	92
	DPA Team- Income	154
	GS misc income	50
	GLA Economics- Income	200
	Safestats Crime team income from MOPAC	185
	London Resilience- Income	569
	London Resilience- LSATS	403
	Mayors Press Office (Shared service income)	87
	Media Monitoring- Income	236
	Statutory events programme	1,988
	Government Relations Income (from FBs for the monitoring)	27
	London European Office- INCOME	20
Strategy & Communications Total		4,012
Grand Total		148,048

D – Reserves

	Forecast	Movement	Forecast	Movement	Forecast	Movement	Forecast
	31/03/2025	2025-26	31/03/2026	2026-27	31/03/2027	2027-28	31/03/2028
	£000	£000	£000	£000	£000	£000	£000
GLA Reserves							
Reserves to support key revenue budget outcomes							
Capital Programme	67,818	(39,950)	27,868	(3,767)	24,101	(3,252)	20,849
Climate Change reserve	80,010	(6,112)	73,898	(6,109)	67,789	(6,109)	61,680
Directorate Reprofitting	19,576	(369)	19,207	0	19,207		19,207
Bedion	34	19,250	19,284	9,500	28,784	9,500	38,284
Environment Drainage	728	0	728	0	728		728
Group Collaboration	4,392		4,392		4,392		4,392
Interest smoothing	77,992		77,992	0	77,992		77,992
MHCLGland fund	6,915	(1,099)	5,816	(841)	4,975	(845)	4,130
London Green Fund Reserve	217	0	217	0	217		217
Major Events	6,304	18,556	24,860	(628)	24,232	(4,395)	19,837
New Deal for Young People	11,711	(6,759)	4,952	(1,364)	3,588	(1,000)	2,588
New Museum Project	0	0	0	0	0		0
Planning Smoothing	499	0	499	0	499		499
Pre-Application Planning	2,545	0	2,545	0	2,545		2,545
ROGF interest	144	(169)	(25)	0	(25)		(25)
Redundancy	1,793	0	1,793	0	1,793		1,793
Rev Grants Unapplied Reserves	57,153	(30,112)	27,041	0	27,041	(5,800)	21,241
Right to buy	14,979	(690)	14,289	(690)	13,599	(690)	12,909
Sport Unites	2,829	(1,000)	1,829	(1,000)	829	(746)	83
The Royal Docks Enterprise Zone	1,001	556	1,557	671	2,228	1439	3,667
Universal free school meals	35,500	11,200	46,700	900	47,600	900	48,500
Total	392,140	(36,698)	355,442	(3,328)	352,114	(10,998)	341,116
Reserves to support organisational change and transformation							
Development	2,053	500	2,553	500	3,053	500	3,553
Mayoral Resettlement	77	0	77		77		77
Total	2,130	500	2,630	500	3,130	500	3,630
Reserves to support on-going asset management							
Estates	832		832		832		832
Dilapidations	6,500		6,500		6,500		6,500
Total	7,332		7,332		7,332		7,332
<u>General</u>							
General Reserve	10,000		10,000		10,000		10,000
Total GLA Reserves	411,602	(36,198)	375,404	(2,828)	372,576	(10,498)	362,078

E – Subjective Analysis

Subjective Analysis					
	Original Budget 2024-25	Revised Budget 2024-25	Budget 2025-26	Plan 2026-27	Plan 2027-28
	£m	£m	£m	£m	£m
Staff costs	109.6	113.7	120.2	116.5	119.2
Premises costs	13.8	13.6	13.7	13.7	13.7
Supplies and services	806.6	846.1	770.2	684.5	683.0
Capital financing costs:					
Financing costs – other	1.6	1.6	4.0	3.8	3.7
Provision for repayment of debt/ other grant payments - LLDC			0.6	1.0	2.3
Total revenue expenditure	931.4	974.9	908.7	819.5	822.0
Sales fees and charges	(26.3)	(29.7)	(26.9)	(27.1)	(28.1)
Rental income	(1.2)	(1.6)	(1.2)	(1.2)	(1.2)
Interest receipts	(116.0)	(116.0)	(76.6)	(76.6)	(68.8)
Interest receipts GLAP loan	(15.0)	(15.0)	(7.3)	(7.3)	(7.2)
Total Income	(158.5)	(162.3)	(112.0)	(112.2)	(105.3)
Net cost of services	773.0	812.6	796.7	707.3	716.7
Transfer to/from (-) reserves held for GLA services	(7.6)	(17.4)	3.8	1.1	(6.8)
Transfer to/from (-) LLDC capital funding reserve	0.0	0.0	0.0	0.0	0.0
Transfer to/from (-) reserves held for GLA Group	(55.0)	(55.0)	(60.5)	(63.5)	(66.5)
Financing requirement	710.4	740.2	740.0	644.9	643.4
Specific grants	515.3	545.1	499.9	412.9	409.4
Retained business rates	100.3	100.3	171.1	162.3	163.5
Direct Government Grant	26.5	26.5	0.0	0.0	0.0
Council tax collection fund surplus	0.0	0.0	0.0	0.0	0.0
Council tax requirement	68.3	68.3	69.0	69.8	70.4

F – Overhead Recharges

Function	Gross Expenditure	Overhead Recharges	Adjusted Gross Expenditure	Income	Net
	£000's	£000's	£000's	£000's	£000's
Finance	3,082	(410)	2,672	(361)	2,311
Facilities Management	14,739	(655)	14,084	(2,561)	11,523
The People Team	5,321	(1,349)	3,972	(196)	3,776
Technology Group	6,180	(2,262)	3,918	(368)	3,550
Total	29,322	(4,676)	24,646	(3,486)	21,160

G – Capital Strategy

1. Context

- 1.1. The Chartered Institute of Public Finance and Accountancy's Prudential Code includes a requirement for all members of the GLA Group to produce a Capital Strategy for 2025-26. The Capital Strategy is included here in summary form only, as the programme delivery plans will lay out the activity funded by their capital allocations. Beyond the first five financial years, the strategy expresses the ambition of the Mayor; but it does not necessarily reflect firm plans to invest, as this will depend on the availability of funding.

Purpose

- 1.2. The purpose of the Capital Strategy is to provide an overview of the Authority's capital investment plans. It ensures that they are aligned to the Mayor's priorities, and that they deliver the maximum benefit to Londoners. This is supported by a prudent approach to capital financing and treasury management in a long-term context.

Benefit of preparing a capital strategy

- 1.3. The benefit of long-term capital planning is that the Authority is well placed to respond to the opportunities and challenges that lie ahead. The Authority strives to be clear and transparent in what drives the Capital Strategy; how its investing decisions are made; and how it will monitor the delivery against the Mayor's long-term objectives.

Approach

- 1.4. In general, the GLA holds few capital assets of its own. The capital investment decision-making is therefore somewhat different from that of other organisations. In most organisations, there is a plan based on resources available, and numerous capital requirements are assessed and prioritised within that available funding envelope. The GLA's approach is essentially reversed. Capital investment is in others' assets, to provide improvement across London. The GLA's ability to invest is constrained by the available funding.
- 1.5. A substantial portion of the capital programme is dictated by pre-existing commitments – for example, those included in the core budget for the London Legacy Development Corporation (LLDC) and the costs of constructing the Elizabeth line (formerly Crossrail). In such cases, decisions were made some time ago, with long-reaching implications for continuing spend. The assumptions on such items are refreshed annually as part of this strategy.
- 1.6. In addition to those long-standing commitments, other programmes (such as the Affordable Homes Programme (AHP)) are funded by external resources. As such, the quantum in each financial year will be determined by the available funding; and the ability for the market, as a whole, to deliver the programme requirements as negotiated with the Ministry for Housing, Communities and Local Government.
- 1.7. Remaining programmes are funded from a combination of grants, reserves, capital receipts, revenue funds and borrowing. Programmes are appraised for cost efficiency; the most appropriate funding mix is determined in light of available resources, and how the asset is being used.

- 1.8. The strategy is reviewed and refreshed annually. It will be updated when necessary, following major fiscal events – such as the government’s periodic Spending Reviews and subsequent funding settlements, and Mayoral policy changes.

Governance

- 1.9. The Capital Strategy forms part of the GLA: Mayor annual budget, and is signed by the Mayor under cover of a Mayoral Decision. Each programme is monitored at least quarterly, and the performance against estimate is published as part of the GLA’s quarterly monitoring report.
- 1.10. There may be cases where slippage is identified, or changes are required in the overall sums. This may be due to, for example, renegotiations with sponsoring government departments. In such cases, this will be reflected in the budget during the financial year and disclosed in the same monitoring report.

External and internal influences

- 1.11. The GLA’s Capital Strategy is influenced substantially by central government policy in relation to housing delivery. This is the single largest item in the GLA’s capital programme, accounting for nearly 90 per cent of annual spend. Each housing programme spans several financial years; and is individually negotiated with government to agree on its objectives and parameters.
- 1.12. At present, housing programmes are being delivered in an extremely challenging environment. The lingering impacts of COVID-19 on the economy, Brexit, high interest rates and several other factors make it difficult for housing to be delivered within previously agreed parameters.
- 1.13. The availability of funding will always be a determining factor for any additional capital spending proposals. Where a proposal does not have an identified source of capital (such as a receipt arising from asset disposal or a specific government grant), the only other source of funding available would be the GLA’s revenue budget. This can be in the form of either setting aside revenue resources to fund capital spending in its entirety, or interest costs arising from borrowing. As revenue resources are stretched, there is a constraint around any additional capital spending.

Links to other policies or strategies

- 1.14. As mentioned above, the GLA’s Capital Strategy is dominated by housing spend – the majority of which goes on supporting new, affordable homes. This is intrinsically linked to the Mayor’s Housing Strategy – indeed, it is one of its key delivery routes.
- 1.15. The capital budget is presented, as is revenue, in alignment with the Mayor’s delivery programmes. Core programmes relating to group-wide historical decisions, such as the Elizabeth line, also form a significant part of the overall capital programme. This spending is detailed below.

Programmes	Revised Budget 2024-25 £'000	Budget 2025-26 £'000	Plan 2026-27 £'000	Plan 2027-28 £'000	Plan 2028-29 £'000
Building more homes	576,919	1,292,422	1,092,903	1,066,353	311,918
Making best use of land	1,000	4,000	7,400	-	-
Improving London's housing stock	270,219	309,967	295,220	144,967	68,178
Accommodation and wider support for those who need it most	34,107	-	-	-	-
Reducing non-residential emissions	3,580	-	-	-	-
Delivering a greener, more climate-resilient London	781	-	-	-	-
Cleaning London's air	3,258	300	300	-	-
Supporting Londoners to benefit from growth	43,350	15,405	-	-	-
Boosting London's growth sectors	17,414	20,094	-	-	-
Helping local economies to thrive	7,813	400	400	400	400
Celebrating London	55,237	14,620	25,100	50	100
Core	269,855	190,559	120,291	74,746	28,452
Grand Total	1,283,533	1,847,768	1,541,615	1,286,516	409,047

Risks

- 1.16. As the capital programme is substantially funded by external capital resources, such as housing capital grant, the risks are largely around delivery rather than finance. As mentioned above, despite a well-documented housing shortage, the climate for bringing forward new homes is extremely challenging. This may impact the GLA's ability to support the target number of homes.
- 1.17. Beyond this, there are the perennial risks of cost overrun where projects are delivering physical assets, such as the Crystal Palace National Sports Centre refurbishment. As this is GLA-funded from internal resources, this could provide a funding challenge if substantial cost overruns were experienced.

Debt and investment management approach

- 1.18. The GLA's borrowing strategy balances budgetary certainty with overall value for money. Aside from very short-term cash-flow management, the main purpose for the GLA's borrowing is to finance capital expenditure for which a pre-existing funding source does not exist; and which will be funded over time (consistent with the benefits expected from the expenditure) through annual charges within the revenue budget.
- 1.19. With the GLA's unique statutory position and role in delivering major infrastructure, there needs to be some ringfencing of borrowing for specific project accounts (currently, the Elizabeth Line and the Northern Line extension) and specific on-lending programmes (such as the Green Finance Fund (GFF)). Other than this, borrowings are managed in aggregate with regard to the GLA's core Capital Financing Requirement (CFR) as set out in the annual treasury management strategy statement.
- 1.20. The GLA's very strong liquidity position means it will normally finance unfunded capital expenditure from existing cash balances in the first instance (internal borrowing). Long-term borrowings from a range of sources are subsequently fixed to closely match the amortisation schedule of the CFR whenever rates are affordable. This secures certainty of costs. A prudent allowance is calculated and reviewed at least annually to allow for

medium-to-long-term use of cash balances in lieu of borrowing. This allows for potential savings while mitigating the risks associated with over-borrowing.

- 1.21. The primary control framework for the implementation and management of borrowing is the GLA's treasury management strategy statement. The budget-setting process determines what level of revenue resource can be allocated to borrowing costs. This, in turn, determines the overall and incremental levels of unfunded capital expenditure that can be supported.

2. Capital Strategy 2024-25 to 2028-29

- 2.1. The Capital Strategy is analysed in the tables below by the 14 strategic programmes. This plan includes only items where funding has been identified and secured, no aspirational activity is included. Commentary on the programmes is provided further below. The profile across years is as forecast by the overseeing project managers in each delivery area. The three programmes focussed on housing account for over 80 per cent of GLA's capital programme.

Building more homes

Building more homes	Revised Budget 2024-25	Budget 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29
Marginal Viability Fund - Borough scheme	13,750	-	-	-	-
Pocket Living	2,600	5,000	3,000	-	-
Royal Docks Place	16,900	11,138	2,350	6,350	6,350
Beam Park - Network	1,000	790	-	-	-
Affordable Housing Programme 2016-23	100,345	99,228	64,593	()	()
Affordable Housing Programme 2016-23 (ROGF)	-	-	38,212	74,800	91,989
Land Fund GLA Capital	36,660	43,850	17,300	-	-
Community Led Housing	6,580	21,983	2,600	-	-
Refugee Housing Programme	10,300	-	-	-	-
Affordable Housing Programme 2021-26	347,360	1,069,298	956,582	985,203	213,579
Affordable Housing Programme (long term)	-	-	-	-	-
Homlessness Change Programme	225	-	-	-	-
Care & Support Programme	6,920	12,072	-	-	-
Housing Zones	9,280	3,523	8,267	-	-
Open Project System	-	540	-	-	-
London Estate Regeneration Fund	25,000	25,000	-	-	-
Total	576,919	1,292,422	1,092,903	1,066,353	311,918

- 2.2. The GLA is managing two simultaneous Affordable Homes Programmes (AHPs) that are at different stages. For the AHP 2016-23, GLA is providing funding for completions of the homes where construction started before the end of March 2023. For the AHP 2021-26, funding is provided for construction started before the end of March 2026. The GLA supports wider housing delivery via investment through the Mayor's Land Fund and the Housing Zones programmes; and in the Royal Docks area using funding collected as part of the local enterprise zone. It also provides funding for the development and delivery of 'move-on' accommodation for people leaving hostels or refuges and community-led housing schemes.

Making best use of land

Making best use of land	Revised Budget 2024-25	Budget 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29
Civic Partnership Programme	1,000	4,000	7,400	-	-

- 2.3. The Civic Partnership Programme is a grant funding programme, targeted at areas of need where local authority regeneration objectives align with Mayoral priorities. The objective is to combat long-standing inequalities that have been exacerbated by COVID-19 and further intensified by the cost-of-living crisis and the climate emergency. The funds will be used by boroughs and their partners to support the development of place-based regeneration strategies and the subsequent delivery of up to six infrastructure exemplar projects.

Improving London's housing stock

Improving London's Housing Stock	Revised Budget 2024-25	Budget 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29
Warmer Homes Capital	3,082	-	-	-	-
SVHUG Programme	-	-	-	-	-
SVLAD Programme	-	-	-	-	-
HUG2	5,100	-	-	-	-
High Street Challenge GFF	100	-	-	-	-
Green Finance Fund Programme	60,991	78,967	79,220	76,967	68,178
ACM Cladding Remediation	28,282	-	-	-	-
Private Sector Cladding	30,000	15,000	-	-	-
Building Safety Fund non-ACM	142,664	216,000	216,000	68,000	-
Total	270,219	309,967	295,220	144,967	68,178

- 2.4. The GLA is seeking to ensure that London's buildings are safe through its building safety programmes, which fund the removal of unsafe cladding from tall buildings in London. In addition to investing in programmes that improve building efficiency and therefore reducing climate impact.
- 2.5. Future capital expenditure (other than where external capital funding is received) will be concentrated on the London Climate Finance Facility (LCFF). This includes the Mayor's GFF and any future funds launched by or for the GLA. The funding for the LCFF is designed to support and catalyse investment, stimulate the market where required and help leverage in additional finance from other sources. The GFF figures in this table include all currently approved investments made over the course of the budget period – except those in the London Stadium's solar roof project and the Crystal Palace National Sports Centre. (These are captured under Core, further below.) The GFF figures also include an estimated profile for future investment under the GFF.

Cleaning London's air

Cleaning London's Air	Revised Budget 2024-25	Budget 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29
Air Quality	3,000	300	300	-	-
BLN Programme	258	-	-	-	-
Total	3,258	300	300	-	-

- 2.6. Air-quality spend is classified under Cleaning London's air programme. This encompasses £2.7 million capital investment in air-quality filters for schools, as set out in the 2024-25 budget; and £0.9 million across the three years from 2024-25 to 2026-27 of investment in London's air-quality monitoring network. Any unspent budget in 2024-25 will be reprofiled into future years to continue the progress made.

Supporting Londoners to benefit from growth

Supporting Londoners to benefit from growth	Revised Budget 2024-25	Budget 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29
Further Education Capital	4,050	-	-	-	-
Skills for Londoners	20,920	4,870	-	-	-
Skills for Londoners Capital Fund R2	3,200	-	-	-	-
Skills for Londoners Capital Fund R3	10,910	10,535	-	-	-
Construction Skills	1,880	-	-	-	-
Growing Places Fund	2,390	-	-	-	-
Total	43,350	15,405	-	-	-

- 2.7. This spending supports the Mayor's strategic objective to empower Londoners to access education and skills; participate in society; and progress into education and work. The capital investment in skills will help improve access to information that can support learners and employers to make decisions about training. The programmes also include investment in construction skills and further education.

Boosting London's growth sectors

Boosting London's growth sectors	Revised Budget 2024-25	Budget 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29
UK Shared Prosperity Fund Programme	17,414	20,094	-	-	-
C&P Capital	-	-	-	-	-
Total	17,414	20,094	-	-	-

The GLA now has confirmed UKSPF funding for the coming financial year some of which will be utilised in the capital programme.

Helping local economies to thrive

Helping local economies to thrive	Revised Budget 2024-25	Budget 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29
Creative Enterprise	839	400	400	400	400
Good Growth Fund	6,974	-	-	-	-
Civic Partnership Programme	1,000	4,000	7,400	-	-
Total	8,813	4,400	7,800	400	400

- 2.8. Spending within the Helping local economies to thrive programme helps to deliver on the Mayor's objectives around supporting London's economy. The Creative Enterprise Zones programme seeks to ensure artists and small creative businesses can continue to thrive in London. It does so by supporting the long-term provision of affordable workspace; enabling vital business support and job creation; and delivering skills programmes for local people in the Zones.
- 2.9. The Regeneration capital programme also supports economic growth in London. Several ongoing capital regeneration programmes, including the £70.0 million Good Growth Fund, are expected to end in 2024-25. However, the Civic Partnership Programme will continue until 2026-27. The GLA will continue to seek external capital funding for regeneration from the government and other potential partners.

Celebrating London

Celebrating London	Revised Budget 2024-25	Budget 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29
London Museum	55,137	14,570	25,000	-	-
Fourth Plinth	100	50	100	50	100
Total	55,237	14,620	25,100	50	100

- 2.10. Spending within the Celebrating London programme includes the Fourth Plinth project. This rolling programme of temporary exhibits on the fourth plinth at Trafalgar Square is expected to continue for the foreseeable future. Spending under this programme also includes the provision of additional Mayoral capital funding to deliver the new London Museum in Smithfield.

Core Capital Programme

Core	Revised Budget 2024-25	Budget 2025-26	Plan 2026-27	Plan 2027-28	Plan 2028-29
Crossrail	47,000	1,500	-	-	-
LLDC Capital Projects	20,752	-	-	-	-
LLDC Capital Projects (CFR)	80,050	22,246	24,040	-	5,692
LLDC-GLAP JV Stratford	10,700	19,205	23,876	15,944	10,374
LLDC Solar Membrane (GFF)	4,653	-	-	-	-
OPDC Programme (Loan)	53,400	95,900	22,400	10,000	400
Elephant & Castle	4,800	2,008	2,008	1,000	500
City Hall Infrastructure	840	500	700	350	350
Trafalgar and Parliament Sq.	1,000	1,200	1,100	400	400
Palestra Refit	-	1,500	500	-	-
ICT Infrastructure	-	-	-	1,000	1,000
PC Laptop Replacement	500	200	667	900	900
Printer	-	300	-	52	52
Telephony	-	-	-	100	100
Crystal Palace National Sports Centre	5,160	12,000	30,000	28,674	8,684
Crystal Palace National Sports Centre (GFF)	-	-	15,000	16,326	-
Group Capital Pressure	41,000	34,000	-	-	-
Total	269,855	190,559	120,291	74,746	28,452

- 2.11. The table above includes a number of programmes that have historically been funded through the Core section of the budget.
- 2.12. The Crossrail Programme is substantially complete. There is some remaining scope to deliver, including residual works, signalling, communications & control and the close out of all remaining commercial liabilities. This is expected to be completed in 2025 and delivered within the previously agreed funding envelope.
- 2.13. LLDC capital grant (Queen Elizabeth Olympic Park) relates to the construction and completion of the East Bank cultural and educational district in the Park.
- 2.14. LLDC-GLAP JV Stratford relates to section 106 infrastructure works, planning, design and other costs to deliver housing developments. This includes required equity to invest in Stratford Waterfront and Bridgewater residential development joint ventures.
- 2.15. London Stadium is set to become one of the world's greenest sports and concert venues, as work begins to install 6,500 square metres of solar membrane panels. The Solar Membrane Project is part of a range of measures to reduce energy costs and carbon emissions at London Stadium. The investment in this project has been provided through the Mayor's GFF. It will enable the Stadium to save more than 200 tonnes of carbon emissions a year, and generate enough energy to power all the venue's major events.

- 2.16. Elephant and Castle capital expenditure is part of the redevelopment of this area. The project is funded by the London Borough of Southwark using local developer contributions, with a smaller contribution from the GLA. The GLA's contributions are expected to continue until 2029-30.
- 2.17. The table above shows expected capital spend by the Corporate Resources and Business Improvement directorate. This includes: IT investment and replacement; core accommodation capital costs; and capital spend to maintain Trafalgar and Parliament Squares. Also included is the cost for major refurbishment of the Crystal Palace National Sports Centre; this is managed by the GLA's Housing and Land directorate, and incorporates the financing provided to the project by the Mayor's GFF.

3. Capital Strategy 2029-30 to 2043-44

- 3.1. The Capital Strategy up to 2043-44 sets out aspirations and plans to implement the Mayor's policies over the longer term.
- 3.2. The forward view of the Capital Strategy is detailed below. As this expresses an aspiration (particularly to meet housing need in London), funding sources are not identified against all items and the figures do not necessarily reflect the total expenditure required to meet the Mayor's aspirations, much of which may be carried out by others and therefore would not be reflected in the GLA's budget.

Capital Spending Plan Long Term Aspirations	Plan 2029-2034 £000	Plan 2034-2039 £000	Plan 2039-2044 £000
Building more homes	20,613,544	20,500,000	20,500,000
Delivering a greener, more climate-resilient London	1,400,000	1,400,000	1,400,000
Supporting Londoners to Benefit from Growth	140,000	150,000	160,000
Helping local economies to thrive	52,000	52,000	52,000
Celebrating London	350	400	350
Core	115,737	28,776	13,110
Total	22,321,631	22,131,176	22,125,460

- 3.3. The delivery of housing, particularly affordable housing, is expected to remain a priority for the Mayor over the foreseeable future. The aspirational spending plan for 2029-44 is set out in the table above.
- 3.4. Previous modelling showed that around £4.0 billion per annum of investment in affordable housing would be required to deliver 32,500 new affordable homes each year – £20.0 billion for each five-year period. This funding would need to be provided by the government. This figure may increase if, as expected, the number of affordable homes delivered each year needs to increase in response to the government's new overall housing needs assessment; and/or if currently high requirements for subsidy do not drop to more normal levels over time. AHP settlements will need to be negotiated with the government at intervals over this period. If the above level of funding is not forthcoming, the GLA cannot fully support sufficient levels of new affordable housing to meet London's needs.
- 3.5. Additionally, budgets for the current housing settlement, covering affordable housing within the 2016-23 and 2021-26 programmes, extend beyond 2023 and 2026 respectively to support final completion tranche payments.

- 3.6. The estimate for the delivering a greener more climate-resilient London programme indicates the level of ongoing investment needed to: increase London's resilience to the unavoidable impacts of climate change; reduce environmental pollution; enhance blue and green infrastructure in the capital; and continue to reduce residual emissions beyond 2030. This may include aspirations for ongoing investment in, for example, sustainable drainage and water reuse; habitats restoration and rewilding; climate-resilient infrastructure; waste reduction; air quality (which also has significant health benefits); and buildings insulation and retrofit. These aspirations are currently unfunded, although we would expect some level of central government support to continue – particularly in relation to climate mitigation and adaptation.
- 3.7. Estimated spend under the supporting Londoners to benefit from growth programme represents the Mayor's strategic objective to empower Londoners to access education and skills; participate in society; and progress into education and work. The capital investment in skills is an aspirational sum included to address the capital investment needs in training facilities across London. The main focus of this programme is investment in construction skills and further education.
- 3.8. Future capital funding to support the improvement of the ageing estate of the further education (FE) sector is included above. This would make the sector habitable for learning; and, importantly, help decarbonise the FE estates. This improvement is estimated to need around £300.0 million, based on a recent feasibility study. The skills budget includes the expectation of continued government investment in Skills for Londoners.
- 3.9. The estimated capital spend aspires to helping local economies to thrive by investing in regeneration projects through a continuation of the Civil Partnerships programme. These aspirations are also currently unfunded, although the GLA will continue to seek external (including central government) funding for its regeneration programmes. Ongoing capital investment in housing, transport and skills, however, will also be critical to growth and productivity in London, and the Mayor's aspirations in those areas are also relevant to this programme.
- 3.10. Celebrating London estimate assumes capital funding for the Fourth Plinth programme will continue.
- 3.11. The core budget includes the remaining costs of the LLDC capital investment that are funded from GLA resources; Queen Elizabeth Olympic Park costs; and the residual cost of refurbishing the Crystal Palace National Sport Centre. It also contains expected requirements for the investment in Trafalgar and Parliament Squares, and GLA IT provision.

H – London Climate Budget

This section of the budget outlines how the GLA, through its own operations and through its wider programme budget, is supporting the Mayor to achieve his net-zero target, and to help London adapt to a changing climate.

The Mayor's programmes for his third term are being designed with climate mitigation and resilience as core principles. Environment officers have provided tools and support to the senior officers responsible for the Mayor's programmes, helping to ensure that climate considerations are taken into account as programmes are designed. The climate budgeting process has helped to focus budget holders' attention on spending measures that would reduce the GLA's and London's carbon emissions, and promote climate resilience. The 2025-26 GLA Climate Budget is the most comprehensive ever published.

Level 1 – Estate and fleet

In terms of the GLA's own estate, the Climate Budget focuses on emissions arising from City Hall, Trafalgar Square, Crystal Palace National Sports Centre and 639 Tottenham High Road¹. Figure 1 summarises the GLA's emissions trajectory.

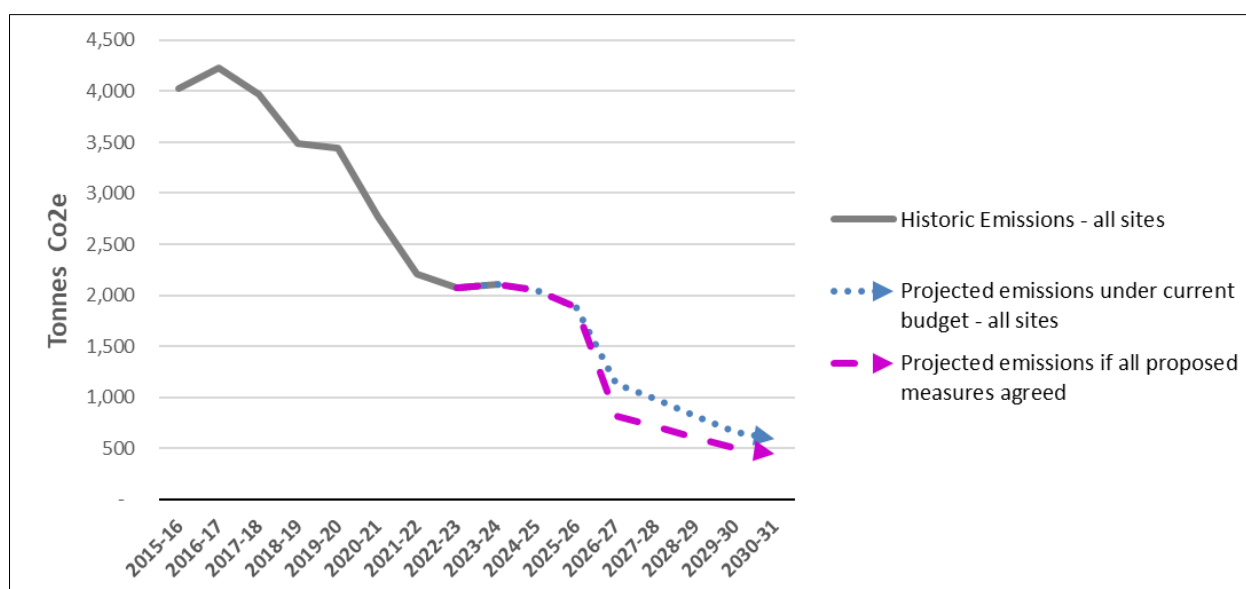


Figure 1: Historic and projected emissions for the GLA

This figure shows that GLA (Mayor of London) emissions reduced from 4,032 tonnes of CO₂e in 2015-16 to 2,072 tonnes in 2023-24. This represents a 48 per cent reduction. Emissions are forecast to reduce to 593 tonnes by 2030-31 (an 85 per cent reduction) based on currently funded measures. If the currently unfunded measures received funding, emissions would reduce further to 450 tonnes (an 89 per cent reduction).

Work continues to minimise emissions across the GLA estate, aligning decarbonisation efforts with ongoing maintenance and other routine works. The most notable change from the previous budget was the successful financing of the Crystal Palace National Sports Centre from the Mayor's Green Finance Fund, moving from unfunded to funded projects, contributing to the reduction in overall projected emissions. This will reduce carbon emissions by 2,749 tCO₂e per annum. Trafalgar Square has a funding gap, due to rising costs and change in project scope, and

¹ Emissions from GLA Land and Property are not included, except where they come from City Hall

has moved from being funded in last year's budget to being unfunded this year but could be eligible for finance from the Green Finance Fund.

The full breakdown of funded and unfunded projects linked to the GLA's estate and fleet is in the appended climate budget tables document.

Level 2 – London-wide programme measures

These measures support London in adapting to a changing climate and accelerating the reduction in emissions, outside of the GLA's own estate and operations. This year, the Climate Budget includes additional policies and programmes that could support climate action across London, beyond the GLA's own estate and fleet, which are not currently funded.

The Mayor has four key levers to cut emissions across London:

- direct funding of decarbonisation projects and programme delivery
- use of regulatory powers and direct influence
- provision of finance
- convening or supporting others to take action.

The budget allocated to programme and policy measures in the GLA Mayor's Budget is in the appended climate budget tables document.

As well as the Mayor's funded measures to reduce London-wide emissions, the GLA has identified additional, unfunded programmes and policies that could have a significant impact on London-wide building emissions. This is a priority because building emissions represent two-thirds of London's emissions. Transport emissions represent one quarter of London's footprint. Additional measures will be assessed in TfL's budget.

This Climate Budget identifies additional, unfunded building measures. These are either direct funding measures, or convening and supporting (enabling) measures:

- Direct funding measures: For the built environment, five priority areas have been identified by the GLA. This is due to the GLA's focus on decarbonising social and fuel-poor housing, schools, and public-sector buildings; and supporting the switch away from fossil fuel use in buildings. The direct measures have been separated into smaller-scale and full-scale measures. Full-scale measures represent the funding needed to deliver significant reductions London-wide, and would need to be funded externally to the GLA. Smaller-scale measures are pathfinding programmes that could be funded by the GLA, should further budgets become available.
- Convening and supporting (enabling) measures: These includes several measures in which the GLA could play a supporting role up to 2030.

To achieve the Mayor's 2030 target, a significant proportion of emissions reductions needs to be driven by national regulatory change. This highlights the importance of effective engagement with national government. Such work includes the phase-out of gas boilers; higher energy-efficiency standards for buildings; and a net-zero electricity grid by 2030. Analysis by GLA staff² estimates that ambitious regulatory change could deliver a cut in emissions of approximately 2.3-3.8 MtCO₂e/y in 2030 (relative to the forecast based on funded measures, existing regulations and policies).

² Analysis has been peer-reviewed by ERM.

Figure 1, below, shows the gap between London's current emissions trajectory (without further significant funding or regulatory change), the Mayor's preferred pathway "Accelerated Green", and the extent to which these measures can close the gap.

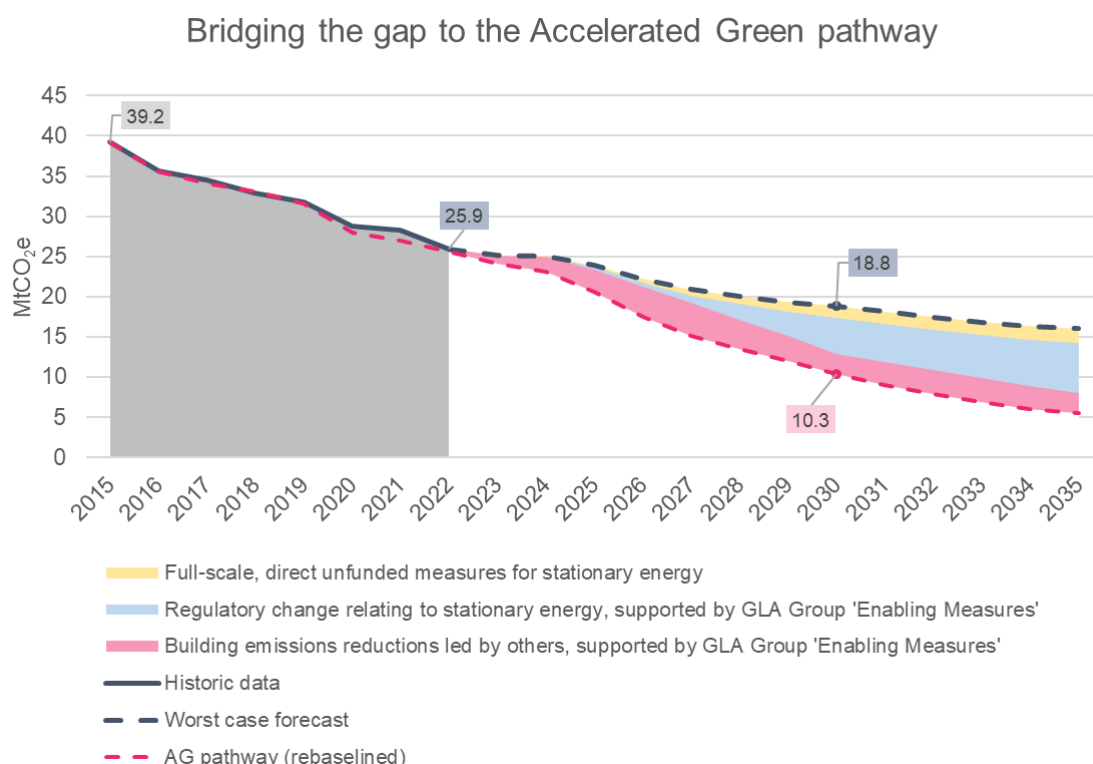


Figure 1 Table D – Contribution of regulatory change and unfunded London-wide measures on London's projected emissions pathway. Source: GLA analysis.

The combined effect of the measures is shown in Table D of the Climate Budget Tables. GLA staff estimate these measures would save 1.0-1.5 MtCO₂e/y in 2030 (relative to the emissions forecast with only funded measures, existing regulations and currently implemented policies in place). These measures would cost £13.0 billion over six years (up to the 2030-31 budget). The smaller-scale measures would cost £1.4 billion over the six years.

Table D also highlights the important co-benefits of climate action. Using published references for co-benefits associated with green investment and avoided fossil fuel use, GLA staff have estimated that the full-scale measures result in an estimated £301.0 million in fuel savings in 2030 (mainly in public buildings, social homes and fuel-poor homes). Avoided carbon costs in 2030 are estimated at £437.0 million; and approximately 27,000 jobs per year would be supported in 2025-30. Avoided air-quality-damage costs are estimated at £44.0 million over 2025-30.