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## GLA: MAYOR BUDGET 2026-27

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## **1. EXECUTIVE SUMMARY**

- 1.1. The Mayor's consolidated budget for the GLA Group for 2026-27 was approved on 26 February 2026. 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 (LLDC); the Old Oak and Park Royal Development Corporation (OPDC); and the Oxford Street Development Corporation (OSDC).
- 1.2. This document presents the final GLA: Mayor budget for 2026-27 in light of the Mayor's consolidated budget for the GLA Group.

### **Context for the development of this budget**

- 1.3. The GLA draft budget was presented, in accordance with the law which requires the Mayor to consult with the London Assembly prior to the public consultation, to the London Assembly's Budget and Performance Committee on 18 November 2025. As ever, it was developed well before the GLA's provisional 2026-27 settlement from the government was known; and before business rates and council tax returns were reported by London boroughs. On this occasion, we were also waiting for the outcome of the government's Fair Funding Review and associated business reforms; and for a clearer indication of the funds to be included in our Integrated Settlement from 2026-27.
- 1.4. This final budget takes account of the decisions the Mayor has taken in light of the GLA's settlement from the government, and certainty around business rates and council tax returns. It also includes the latest information available about our Integrated Settlement.
- 1.5. This final budget allocates £149.71 million in new resources. It includes £121.3 million for 2026-27 allocated to the GLA by the Mayor in the final GLA Group budget for strategic investments; and a further £25.3 million for 2027-29. £28.4 million is allocated to other strategic investments, unavoidable budget realignments and cost pressures, bringing the total for new strategic investments in 2026-27 to £136.1 million. This £28.4 million is funded through a £15.5 million savings and efficiencies programme, alongside the planned use of one-off reserves where appropriate.
- 1.6. In addition, this report provides details on the proposed use of reserves (included in section 3).

### **A budget to build a fairer, safer, greener and more prosperous London for everyone**

- 1.7. The common thread that runs through our current and new activity is a determination to create a fairer, safer, greener and more prosperous London for everyone – irrespective of race, sex, religion, sexual orientation, disability or background. 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.
- 1.8. The emphasis is on the issues that matter most to Londoners: making London safer; building more affordable homes; supporting renters; reducing street homelessness; growing our economy; improving our transport network; ensuring Londoners have the skills they need to succeed; and keeping London a world leader in reducing air pollution, cleaning up our rivers and tackling the climate crisis. In addition, the Mayor's Universal Free School Meals programme will be funded in this budget on an on-going basis.
- 1.9. Keeping Londoners safe, 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. 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**

- 1.10. Compared to the 2025-26 budget, this budget for 2026-27 contains the following additional resources:

- £0.5 million from business rates, which includes £0.4 million additional contributions towards Group Public Health on behalf of all the GLA's functional bodies
  - £1.6 million from additional council tax income
  - £121.3 million provided by the Mayor in the final GLA Group budget to invest in a set of strategic priorities funded through: £61.8 million from 2026-27 business rates; £25.7 million from Group reserves; and £33.8 million from the one-off collection fund surplus
  - £19.7 million from external grants, including our Integrated Settlement, net of the planned-for loss of UK Shared Prosperity Fund (UKSPF) grant
  - £2.5 million from a forecast net increase in interest income
  - £12.9 million of GLA Group reserves comprising a £4.9 million contribution to Universal Free School Meals and an £8.0 million allocation to Group Collaboration
  - £11.7 billion of capital grant from government for affordable housing over the next ten years and a further £324.3 million of City Hall Developer funding.
- 1.11. We estimate that the GLA: Mayor's total revenue resources, deployed in 2026-27, will be £999.9 million, with circa £2.9 billion in capital resources. These revenue resources are set out in section 3, alongside our assumptions about our planned use of reserves; capital resources are set out in section 6.
- 1.12. This budget allocates revenue and capital resources against the 14 GLA-led strategic programmes – the delivery portfolio. Delivery plans for each of these have been published as Mayoral Decisions (MDs). Some of these will need to be updated to reflect additional outcomes now required as a result of additional resources.

### **New investments in this budget**

- 1.13. The draft budget laid out new investments totalling £2.29 million. These are included in this budget:
- introducing a pilot strategic licensing scheme with the support of the government
  - taking actions to support the night-time economy, following completion of the London Nightlife Taskforce's review
  - securing growth and accelerating new housing delivery through delivering the new London Plan.
- 1.14. The Mayor has provided a further £121.3 million for 2026-27 to support his priorities. They are:
- further support for young Londoners
  - further action to tackle rough sleeping in the capital
  - action to help tenants living in unacceptable conditions
  - investment to support Londoners to enjoy the city's waterways
  - funding to take forward recommendations from the AI taskforce
  - work to encourage greater levels of visitors to and investment in London, to increase jobs and economic growth
  - further support for our high streets and the hospitality sector, including through the strategic licensing pilot

- expanding City Hall's work to support Londoners to claim the benefits they are due
  - funding to secure more major events in London, boosting our economy.
- 1.15. A further £2.0 million has been added to this budget for a number of commitments: investment upfront in a team to deliver the implementation of the expected Tourist Levy (£1.0 million); and provision of further £1.0 million funding for the team delivering the strategic licensing pilot as the scope of its work increases.
- 1.16. Funding is also continuing to provide Universal Free School Meals for all primary school children in London's state-funded schools.
- 1.17. Separately, as outlined in the draft budget, we are mitigating the loss of UKSPF funding by continuing to preserve the business support for high-growth firms and small and medium-sized businesses, which have been funded by UKSPF grant up to now. We are preserving this programme by allocating £10 million annually to it, while requiring efficiency savings in the way it is delivered.

### **New organisational costs in this budget**

- 1.18. The draft budget laid out unavoidable base budget realignments and cost increases totalling £9.03 million. These are included in this budget:
- an increased budget for the London Resilience Unit
  - the costs of our new accommodation at Palestra
  - inflationary increases, including shared services and Facilities Management (FM) costs
  - the costs of implementing Success Factors (the new human resources (HR) system being adopted through our shared service with TfL)
  - provision for risks in the London Stadium budget, following its transfer from the LLDC.
- 1.19. There are a further £5.09 million of unavoidable cost increases included in this final budget, covering:
- the increased costs of the GLA's employer pension contributions, following a three-yearly review
  - the likely costs of funding a fair pay award for 2026-27
  - previously unfunded costs of the responsible procurement team serving all functional bodies
  - the costs of a small number of new posts to bring in new skills and expertise, and in some cases additional capacity – this is to ensure the GLA is set up to succeed as a strategic authority, in light of the government's actions and ambitions for devolution.

### **Savings and efficiencies programme**

- 1.20. We laid out, in the draft budget, our intention to make changes to the GLA's activity and ways of working, as an outcome of considering opportunities for efficiency gains and structural innovation.
- 1.21. The scale of the GLA's savings and efficiency programme has since been confirmed as £15.5 million for 2026-27.
- 1.22. Savings totalling £5.3 million have been identified primarily through reprioritisation within, and alignment across, some strategic programmes; and savings to the costs of some of core functions. Savings include:
- reductions in shared-services costs

- discontinuing the GLA’s contribution to the London Funders’ collaborative funding project, Propel, which has proved unnecessary to secure collaborative outcomes
  - some modest adjustments to some community, culture, and engagement projects.
- 1.23. Savings totalling £10.2 million to GLA staffing costs are included in this budget. Staff and the GLA’s recognised trade union, UNISON, are being consulted now on proposals to deliver £7.2 million savings to staffing costs. A net loss of about 100 posts is proposed through this consultation; about 200 staff have been notified formally that they are at risk of redundancy. The consultation closes on 8 April. Further proposals to achieve the £2.9 million balance of staffing savings will be consulted on later in the year.
- 1.24. We have made provision for a one-off draw-down from reserves, to meet the expected shortfall in implemented savings in 2026-27, given the consultation timings and associated processes. Any changes we make to the proposals, as a result of feedback to the consultation, will be reflected in changes to our budget at quarter one.
- 1.25. In this ongoing process, our priority is to identify and realise efficiencies, while we minimise the impact of these budget changes to the Mayor’s strategic programmes.

### **Use and review of reserves**

- 1.26. As part of the development of this final budget, a review of risks and reserves has been undertaken to support ongoing assurance around medium-term financial resilience. The Reserves Strategy is set out in Appendix A.
- 1.27. This review confirmed that the one-off use of reserves for time-limited activity remains appropriate, and the budget includes the deployment of £12.6 million in one-off reserves, alongside other planned uses.
- 1.28. This report is structured as follows:
- Section 2 – overview of the revenue position, including a summary of: strategic investments; budget realignments; unavoidable cost increases savings and efficiencies.
  - Section 3 – summary of revenue resources; and planned use of reserves over the medium-term financial plan.
  - Section 4 – overview of our delivery portfolio budget.
  - Section 5 – overview of our resources allocated across our core functions to support organisational delivery.
  - Section 6 – our capital budget, laying out resources and expenditure plans for the delivery portfolio and core functions.
  - Section 7 – overview of equalities implications.
- 1.29. Figures in the tables throughout this document may not sum exactly, due to rounding; and income is shown in brackets.

## 2. OVERVIEW OF FINANCIAL POSITION

- 2.1. We estimate that the GLA's total revenue resources, deployed in 2026-27, will be £999.9 million. We estimate that circa £2.9 billion will be deployed in capital resources. These resources include £149.71 million new resources allocated since the draft budget. The deployment of these resources at headline level is set out in section 3, alongside our assumptions about our planned use of reserves.
- 2.2. Our strategy has been focussed on delivering a sustainable budget, by ensuring that available resources are targeted toward the GLA's strategic role and are therefore used for maximum impact for London and Londoners. The finalisation of all 14 GLA-led strategic programmes, via MDs, has provided a clear framework for the prioritisation of resources.
- 2.3. The budget process has been used as a deliberate tool to drive greater efficiency – right across the delivery portfolio and the core functions. This has included identifying and eliminating any areas of overlap; streamlining delivery; and aligning resources with the highest-impact outcomes. As a result, this budget includes a significant programme of savings and efficiencies.
- 2.4. This budget also includes the GLA's new Integrated Settlement from 2026-27, which gives the Mayor new flexibilities over some government grants. Over recent months, extensive negotiations have taken place with the government, regarding the outcomes associated with the grant allocations. This budget reflects the latest information available. Detail is provided in Appendix H. The finalised outcomes framework, alongside associated resources, is expected to be published by the government before Easter.

### Revenue budget

- 2.5. Table 1, below, provides a consolidated overview of the revenue budget for 2026-27; and forecasts for 2027-28 and 2028-29. As with any budget, there are potential risks, including the delivery of the savings and efficiencies programme.
- 2.6. Here, in a single table, is a clear, integrated view of the GLA's funding and expenditure plans. The remainder of this budget document examines each section of the table in turn.

**Table 1 – Overview of the GLA revenue budget**

	2025-26 Budget £m	2026-27 Plan £m	2026-27 Budget £m	2027-28 Plan £m	2028-29 Plan £m
<b>Resources</b>					
Business rates income	(171.1)	(162.3)	(233.3)	(197.1)	(199.2)
Council tax income	(69.0)	(69.8)	(70.6)	(71.2)	(71.9)
Group reserves	(60.5)	(63.5)	(49.6)	(7.5)	(8.0)
Collection fund surplus			(33.8)		
External funding, including Adult Skills Fund	(528.0)	(441.2)	(547.7)	(553.8)	(545.9)
Interest receipts	(76.6)	(76.6)	(79.6)	(73.1)	(68.2)
Interest receipts (from GLA Land & Property Ltd)	(7.3)	(7.3)	(8.7)	(8.6)	(7.4)
Interest payable	4.0	3.8	5.9	5.4	5.0
Planned reserves utilisation	(14.9)	(7.5)	(35.0)	(19.6)	(56.4)
Elections reserve contribution	19.3	9.5	9.5	9.5	9.5
Major events reserve contribution			20.0		
Equity contribution to London Stadium			23.0	23.5	23.9
Minimum revenue provision (MRP)	(0.6)	(1.0)	0.0	0.0	0.0
<b>Total resources including reserves</b>	<b>(904.7)</b>	<b>(815.9)</b>	<b>(999.9)</b>	<b>(892.6)</b>	<b>(918.5)</b>
<b>Expenditure</b>					
Building more homes	19.7	18.0	20.2	18.5	18.4
Making best use of land	2.3	1.4	4.9	3.7	3.0
Improving London's housing stock	12.6	9.5	15.6	11.2	6.2

	2025-26 Budget £m	2026-27 Plan £m	2026-27 Budget £m	2027-28 Plan £m	2028-29 Plan £m
Reducing inequalities	12.6	12.5	11.4	9.9	9.8
Accommodation and wider support for those who need it most	67.8	30.0	88.8	85.6	78.2
Reducing non-residential emissions	13.1	13.1	6.5	6.5	6.6
Delivering a greener, more climate-resilient London	10.3	13.3	15.1	8.9	8.6
Cleaning London's air	1.7	1.7	1.6	1.6	1.6
Supporting Londoners to benefit from growth	418.4	395.3	454.6	440.6	435.1
Supporting and inspiring young London	156.2	160.2	182.9	120.6	117.5
Boosting London's growth sectors	38.9	17.1	39.9	39.3	46.2
Helping local economies to thrive	7.6	3.5	11.3	5.8	6.4
Upgrading London's infrastructure	4.8	4.3	5.4	5.4	5.4
Supporting community, cultural and sporting events in London	21.8	21.8	24.6	24.5	23.9
Transport programmes	0.0	0.0	2.8	2.8	2.8
Core	108.1	105.1	104.5	108.0	148.3
Group Collaboration	8.1	8.1	8.0	8.0	8.0
MRP (not assigned to directorates)	0.6	1.0	2.0	2.9	3.0
<b>Total gross expenditure (including investments)</b>	<b>904.7</b>	<b>815.8</b>	<b>999.9</b>	<b>903.6</b>	<b>928.9</b>
<b>Budget gap</b>	<b>0.0</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>11.1</b>	<b>10.3</b>
Savings to be identified			0.0	(11.1)	(10.3)
<b>Remaining budget gap</b>	<b>0.0</b>	<b>(0.1)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

- 2.7. From 2025-26, the GLA Group Collaboration budget has been included in the GLA: Mayor budget. Specific proposals for its use in 2026-27 are being developed under the oversight of the Group Collaboration Board.
- 2.8. It should also be noted that some projects have been moved between strategic programmes as part of the delivery plan development process. Therefore, numbers are not always directly comparable to previous figures. Furthermore, new funding allocations have now been added to several programmes.
- 2.9. The budget for transport projects was originally part of the Upgrading London's Infrastructure programme. However, this has now been separated out, as it will be allocated to the TfL-led transport-specific programmes, once these have been approved by the Mayor. This budget covers the congestion charge adjudication service and the staffing costs of the GLA's transport team.
- 2.10. The MRP budget is a rule that applies to local authorities in the UK, to ensure funds are set aside each year to repay the principal of any borrowing.
- 2.11. The next paragraphs set out for transparency:
- summary of new Mayoral strategic investments of £121.3 million (as set out in the final GLA Group budget)
  - summary of other Mayoral strategic investments
  - summary of unavoidable budget realignments and cost pressures
  - summary of savings and efficiencies.

### **Summary of new Mayoral strategic investments of £121.3 million**

2.12. As part of the final GLA Group budget, the Mayor allocated a significant package of additional investments to the GLA, covering a range of Mayoral priorities. These investments – fully funded by additional allocations to the GLA from the Mayor’s business rates and council tax income – total £121.3 million for 2026-27, with some funding continuing into 2027-28 and 2028-29. These investments are:

- further support for young Londoners
- further action to tackle rough sleeping in the capital
- action to help tenants living in unacceptable conditions
- investment to support Londoners to enjoy the city's waterways
- funding to take forward recommendations from the AI taskforce
- work to encourage greater levels of visitors to and investment in London, to increase jobs and economic growth
- further support for our high streets and the hospitality sector, including through the strategic licensing pilot
- expanding City Hall's work to support Londoners to claim the benefits they are due
- funding to secure more major events in London, boosting our economy.

2.13. Table 2, below, sets out these investments and their value by strategic programme, as set out in the final GLA Group budget. As the plans for the use of this funding are developed, this will be reflected in MDs and quarterly performance reporting. The funding to secure more events is being placed GLA’s major events reserve.

**Table 2 – Mayoral strategic investments allocated in the final GLA Group budget by strategic programme**

Programme	Investment	2026-27 £m	2027-28 £m	2028-29 £m
Improving London's housing stock	Helping tenants (damp and mould sensors)	3.0	-	-
Accommodation and wider support	Tackling rough sleeping	8.0	0.5	0.5
Delivering a greener, more climate-resilient London	Swimmable London	5.0	-	-
Supporting Londoners to benefit from growth	Tackling financial hardship	2.0	2.0	2.1
	AI innovation fund	20.0	4.1	4.2
	<b>Total</b>	<b>22.0</b>	<b>6.1</b>	<b>6.3</b>
Supporting and inspiring young London	Supporting young Londoners	50.0	5.1	5.2
Boosting London’s growth sectors	Increasing visitors and investment	8.3	0.8	0.8
Helping local economies to thrive	Supporting high streets and the hospitality sector	5.0	-	-
<b>Total expenditure</b>		<b>101.3</b>	<b>12.5</b>	<b>12.8</b>
Supporting community, cultural and sporting events in London	Major events fund	20.0	-	-
<b>Total reserves contribution</b>		<b>20.0</b>	-	-

Programme	Investment	2026-27 £m	2027-28 £m	2028-29 £m
<b>Total strategic investments</b>		<b>121.3</b>	<b>12.5</b>	<b>12.8</b>

### Summary of other Mayoral strategic investments across delivery portfolio

2.14. Other strategic investments in this final budget are laid out in this table:

**Table 3 – Summary of other Mayoral strategic investments across delivery portfolio**

Programme	Investment	2026-27 £m	2027-28 £m	2028-29 £m
Making best use of land	London Plan	0.7	0.7	0
Boosting London’s growth sectors	To continue to invest in delivering growth in London, Tourist Levy team and responsible procurement	11.49	11.49	10.49
Helping local economies to thrive	Setting up and running the Strategic Licensing pilot and supporting the implementation of the London Nightlife Taskforce recommendations	2.59	2.28	2.23
<b>Total</b>		<b>14.78</b>	<b>14.47</b>	<b>12.72</b>

### Unavoidable budget realignments and cost pressures

2.15. A number of the unavoidable budget realignments and cost pressures in the table below were included in the draft budget. Details of each are in the Core Functions sections of this report.

**Table 4 – Breakdown of unavoidable budget realignments and cost pressures**

Core functions	2026-27 £m	2027-28 £m	2028-29 £m
Statutory planning	1.64	1.64	1.64
London Resilience Unit	0.65	0.65	0.65
Collaborative procurement	0.14	0.14	0.14
Additional capacity – Finance, Executive Support, IT, Corporate Strategy	1.32	1.32	1.32
<b>Total budget realignments</b>	<b>3.75</b>	<b>3.75</b>	<b>3.75</b>
FM – move to Palestra	3.98	1.52	1.52
FM – inflation increases		0.41	0.43
People Function – Success Factors implementation	1.13	1.13	1.13
Shared services – Corporate Resources and Business Improvement (CRBI)	0.49	0.49	0.49
Shared services – Finance and Audit	0.02	0.02	0.02

London Stadium reserve	1.50	1.50	1.50
Employer pensions contributions and pay award	2.75	3.46	3.56
<b>Unavoidable cost pressures</b>	<b>9.87</b>	<b>8.53</b>	<b>8.65</b>
<b>Total</b>	<b>13.62</b>	<b>12.28</b>	<b>12.40</b>

### Summary of savings and efficiencies

2.16. A total £15.5 million savings is set out in this budget, developed by:

- making sure we are working as effectively and efficiently as possible
- reviewing all activity for alignment with our role as a strategic authority
- assessing whether we have the right balance of centralised versus directorate-level resource; and, within directorates, the right balance between directorate-level and unit-level resource
- ensuring our core function teams are appropriately focused on the organisation's top priorities.

2.17. Our priority is to identify and realise efficiencies. Our approach seeks to minimise the impact of changes to the delivery portfolio, recognising how important these strategic programmes are to London.

2.18. All redundancy and associated pension costs incurred will be funded from reserves (Appendix A). It is anticipated that the ongoing savings payback period will be less than one year.

2.19. We recognise that some staff are very concerned about the staffing savings set out in this budget, and in the staffing consultation that is under way. We are committed to supporting affected staff through clear communication and redeployment opportunities; and to minimising compulsory redundancies.

**Table 5 – Summary of savings and efficiencies**

Description	2026-27 £m	2027-28 £m	2028-29 £m
Delivery portfolio	9.61	9.89	8.93
Core functions	5.85	5.85	5.85
<b>Total savings and efficiencies</b>	<b>15.46</b>	<b>15.74</b>	<b>14.78</b>

**Table 6 – Breakdown of savings and efficiencies**

Delivery portfolio/core functions	2026-27			2027-28	2028-29
	Pay £m	Non-pay £m	Total £m	£m	£m
Reducing inequalities	0.96	1.21	<b>2.16</b>	2.21	1.16
Reducing non-residential emissions	1.29	0.00	<b>1.29</b>	1.29	1.29
Delivering a greener, more climate-resilient London	0.00	0.15	<b>0.15</b>	(0.15)	0.15
Cleaning London's air	0.00	0.20	<b>0.20</b>	0.20	0.20
Supporting Londoners to benefit from growth	0.63	0.05	<b>0.68</b>	1.15	1.15
Supporting and inspiring young London	1.44	0.20	<b>1.64</b>	1.72	1.72
Boosting London's growth sectors	0.75	0.55	<b>1.30</b>	1.30	1.30
Helping local economies to thrive	0.30	0.47	<b>0.77</b>	0.75	0.55
Upgrading London's infrastructure	0.30	0.52	<b>0.82</b>	0.82	0.82

Supporting community, cultural and sporting events in London	0.60	0.00	<b>0.60</b>	0.60	0.60
<b>Total savings</b>	<b>6.26</b>	<b>3.35</b>	<b>9.61</b>	<b>9.89</b>	<b>8.93</b>
CFO	0.66	0.30	<b>0.96</b>	0.96	0.96
CRBI	1.50	1.28	<b>2.78</b>	2.78	2.78
Planning & Regeneration	0.60	0.00	<b>0.60</b>	0.60	0.60
Strategy & Communications	1.14	0.37	<b>1.51</b>	1.51	1.51
<b>Total core savings</b>	<b>3.90</b>	<b>1.95</b>	<b>5.85</b>	<b>5.85</b>	<b>5.85</b>
<b>Total savings</b>	<b>10.16</b>	<b>5.30</b>	<b>15.46</b>	<b>15.74</b>	<b>14.78</b>

## Capital budget

- 2.20. The Mayor is proposing a significant capital programme of £2.9 billion in 2026-27. The capital programme is dominated by housing spend – the majority of which is for supporting new, affordable homes. A summary of the capital budget is set out below, further details are set out in section 6.

**Table 7 – Capital programme summary, 2025-26 to 2029-30**

Resources	Budget 2025-26 £m	Budget 2026-27 £m	Plan 2027-28 £m	Plan 2028-29 £m	Plan 2029-30 £m
Government Grants	(1,877.1)	(2,566.6)	(1,630.3)	(1,516.8)	(1,702.0)
RCGF	-	(67.7)	(49.3)	(29.2)	(101.1)
Capital Receipts	(21.0)	(40.4)	(37.2)	(8.7)	-
Borrowing	(160.7)	(94.5)	(66.4)	(56.9)	(18.3)
Revenue Contributions	(6.2)	(8.0)	(4.3)	(3.4)	(1.1)
MDC Reserve	(24.5)	(23.0)	(23.5)	(23.9)	(24.4)
Borrowing (GFF)	(81.0)	(45.7)	(30.8)	(9.2)	(183.4)
Capital Funding Reserves (LLDC\GLA)	(24.7)	(24.4)	-	(5.7)	-
<b>Total Resource</b>	<b>(2,195.1)</b>	<b>(2,870.1)</b>	<b>(1,841.7)</b>	<b>(1,653.8)</b>	<b>(2,030.2)</b>
<b>Expenditure</b>					
Building more homes	1,602.8	2,345.2	1,578.6	1,544.4	1,793.9
Improving London's housing stock	331.9	289.5	113.1	9.2	183.4
Cleaning London's Air	0.3	0.3	-	-	-
Supporting Londoners to benefit from growth	15.4	29.7	7.9	3.1	8.7
Boosting London's growth sectors	20.1	-	-	-	-
Helping local economies to thrive	4.4	10.8	0.4	0.4	-
Supporting community, cultural and supporting events in London	14.7	25.1	0.1	0.1	0.1
Total Portfolio Expenditure	<b>1,989.5</b>	<b>2,700.6</b>	<b>1,700.0</b>	<b>1,557.2</b>	<b>1,986.0</b>
Core	205.6	169.5	141.7	96.6	44.2
<b>Total Expenditure</b>	<b>2,195.1</b>	<b>2,870.1</b>	<b>1,841.7</b>	<b>1,653.8</b>	<b>2,030.2</b>

### 3. RESOURCES

- 3.1. The GLA: Mayor's revenue budget is complex, with several funding sources. Ringfenced external grant funding makes a significant contribution. The annual budget is also supplemented by one-off funding, drawn from reserves.
- 3.2. When the Mayor agreed the final 2025-26 budget in March 2025, planning figures for 2026-27 were set out. These figures are included in this document for comparison purposes. They have been updated in accordance with the Mayor's published Budget Guidance issued in July.
- 3.3. Table 8 below, shows the updated budget forecasts for 2026-27 and future years. It also shows the 2025-26 budget; and the position for 2026-27, as planned in the 2025-26 budget.
- 3.4. These forecasts reflect the following:
- The final Local Government Finance Settlement, business rates and council tax levels.
  - Full and continued funding for providing Universal Free School Meals to all eligible children in 2026-27, 2027-28 and 2028-29. It should be noted that the cost to the GLA has reduced, as the government has confirmed additional funding to cover the costs for children whose families are in receipt of Universal Credit. The GLA will continue to fund meals for all other children through a combination of business rates income and (for the 2026-27 year) Group reserves.
  - A significant package of strategic investments set out in the final GLA Group budget, totalling £121.3 million in 2026-27, as well as additional budget growth items, as noted in section 2.
  - Finalised Integrated Settlement allocations from 2026-27.
  - The ending of UKSPF, which was already reflected in the 2026-27 plan.

**Table 8 – Resources**

	2025-26	2026-27	2026-27	2027-28	2028-29
	Budget	Plan	Budget	Plan	Plan
	£m	£m	£m	£m	£m
<b>Resources</b>					
<b>Funded by:</b>					
Business rates income	(159.1)	(162.3)	(159.5)	(161.1)	(162.5)
Council tax income	(69.0)	(69.8)	(70.6)	(71.2)	(71.9)
Group reserves	(60.5)	(63.5)	(12.9)	(7.5)	(8.0)
	<b>(288.6)</b>	<b>(295.6)</b>	<b>(243.0)</b>	<b>(239.9)</b>	<b>(242.4)</b>
External funding, including Adult Skills Fund	(528.0)	(441.2)	(547.7)	(553.8)	(545.9)
<b>Reserve utilisation / contributions to reserves</b>					
Planned reserves utilisation	(14.9)	(7.5)	(35.0)	(19.6)	(56.4)
Elections reserve contribution	19.3	9.5	9.5	9.5	9.5
Major events reserve contribution			20.0		
<b>Treasury income</b>					
Interest receipts	(76.6)	(76.6)	(79.6)	(73.1)	(68.2)
Interest receipts GLAP	(7.3)	(7.3)	(8.7)	(8.6)	(7.4)
Interest payable	4.0	3.8	5.9	5.4	5.0
	<b>(892.1)</b>	<b>(814.9)</b>	<b>(878.6)</b>	<b>(880.0)</b>	<b>(905.8)</b>
<b>Strategic investments (set out in the GLA Group final budget)</b>					
Business rates income			(61.8)	(12.5)	(12.8)
Group reserves			(25.7)		
Collection fund surplus			(33.8)		

	2025-26	2026-27	2026-27	2027-28	2028-29
	Budget	Plan	Budget	Plan	Plan
	£m	£m	£m	£m	£m
			(121.3)	(12.5)	(12.8)
<b>Stadium</b>					
Business rates income	(12.0)		(12.0)	(23.5)	(23.9)
Group reserves			(11.0)	0.0	0.0
Equity contribution to London Stadium			23.0	23.5	23.9
MRP	(0.6)	(1.0)	0.0	0.0	0.0
	<b>(904.7)</b>	<b>(815.9)</b>	<b>(999.9)</b>	<b>(892.6)</b>	<b>(918.6)</b>

3.5. The following paragraphs set out key information on the available resources in the budget for 2026-27.

### **Funding changes in business rates, council tax and Group reserves**

- 3.6. The business rate movement from the 2026-27 plan to the 2026-27 budget is a reduction of £2.4 million in the core allocation, compared to the 2026-27 plan. The Mayor’s Budget Guidance in July 2025 allocated an increase of £0.7 million in core council tax, offset by a £3.1 million reduction in business rates. In this final budget, a £0.4 million business rates allocation has been made for Group Public Health on behalf of all the GLA’s functional bodies. This is offset by additional expenditure, so has a net nil impact on the budget.
- 3.7. The draft budget provided for an allocation of £63.5 million from Group reserves for 2026-27, to cover £55.5 million of funding for Universal Free School Meals (as in previous years); and £8.0 million of Group Collaboration funding. This final budget reflects a reduced allocation of £12.9 million, comprising a £4.9 million contribution to Universal Free School Meals and an £8.0 million allocation to Group Collaboration. This is a reduction on the prior year, reflecting the reduced costs to the GLA of providing Universal Free School Meals. This is largely a result of the government’s announcement to fund free school meals for children whose households are in receipt of Universal Credit.

### **External funding**

- 3.8. From 2026-27 several of the GLA’s grants from government are incorporated into our Integrated Settlement allocation. The largest grant included in the Integrated Settlement is Adult Skills Funding, which totals £341 million. This budget assumes £548 million of external funding – around £107 million greater than anticipated in the 2026-27 plan.
- 3.9. The £107 million increase over the 2026-27 plan is due to:
- Additional funding of around £44 million is already included in the draft budget, due largely to the allocation of new funding from the Ministry of Housing, Communities & Local Government (MHCLG). This includes, notably, Rough Sleeping (£15 million) and Domestic Abuse Safe Accommodation (£25 million) grant funding. It should be noted that the Rough Sleeping funding is included as part of the Integrated Settlement.
  - Additional funding of around £63 million has been confirmed since the draft budget. This is due largely to confirmation of the government grants to be included in the GLA’s Integrated Settlement. These changes are set out below, by Integrated Settlement ‘pillar’:
    - Adult skills and employment support: £47 million net additional funding, including: £51 million for Connect to Work and Industry Placements; and £4 million Adult Skills Funding (taking the final allocation to £341 million), offset by a reduction of £8 million in funding for Skills Bootcamps.
    - Health, wellbeing and public service reform: £10 million additional funding in additional Rough Sleeping funding, on top of the £15 million noted above.

- o Economic development and regeneration: £3 million additional funding, of which £2.5 million relates to the Made Smarter programme (which provides grants to small businesses to invest in digital technologies).

- 3.10. The 2026-27 plan did not include any UKSPF funding. The government has since confirmed, as expected, that this funding will not continue.
- 3.11. A summary of all external income, as well as the final allocation of grants included in the Integrated Settlement, is in Appendix H. As a result of the flexibility afforded by the settlement, some resources may potentially be re-prioritised within the same funding pillar, between pillars, or into future years.

### Planned use of reserves

- 3.12. This is set out in Table 9, below.

**Table 9 – Planned use of reserves, 2026-27 to 2028-29**

Net movement on reserves	2026-27 Plan	2026-27 Budget	2027-28 Plan	2028-29 Plan
	£m	£m	£m	£m
GLA Elections	9.5	9.2	9.2	(30.7)
GLA Green Finance Fund	(6.1)	(1.7)	(1.7)	(1.1)
Universal Free School Meals	0.9	(14.6)	(3.4)	0.1
New Deal for Young People	(1.0)	(0.5)	0.0	0.0
Revenue grants unapplied	0.0	(9.6)	(3.7)	(2.0)
Right-to-buy interest receipts	(0.7)	(2.5)	(2.2)	(2.2)
Sport Unites	(1.0)	(1.0)	(0.2)	0.0
Major Events		18.1	(5.7)	(8.9)
Other movements	(0.6)	(2.8)	(2.4)	(2.2)
<b>Net movement on reserves to support revenue budgets</b>	<b>1.0</b>	<b>(5.5)</b>	<b>(10.1)</b>	<b>(46.9)</b>
Net movement in reserves to support capital budgets	(3.8)	(25.5)	(4.3)	(3.4)
<b>Total movement in reserves</b>	<b>(2.8)</b>	<b>(30.9)</b>	<b>(14.4)</b>	<b>(50.3)</b>
Net movement on reserves to support revenue budgets				
Of which relate to portfolio budgets	(9.0)	(7.3)	(16.4)	(14.2)
Of which relate to core budgets	10.0	1.8	6.3	(32.7)

- 3.13. This budget reflects the outcome of a detailed reserves review; and a refreshed Reserves and Balances policy. This notes that reserves are recognised as a one-off funding source that, once used, cannot be used again. Therefore, all endeavours will be made to balance budgets through reductions in expenditure, rather than use of reserves – except where necessary to implement appropriate transitional arrangements or cover any one-off or time-limited pressures.
- 3.14. The 2026-27 budget includes a higher use of reserves, on a net basis, than was expected in the plan set in March 2025. There are a range of reasons for this, including the following:

- An increase in the forecast use of Right to Buy interest receipts (and Recycled Capital Grant receipts) to cover staffing requirements across the GLA’s housing programmes.
- Additional use of the Universal Free School Meals reserve – although this is primarily due to timing differences between funding being allocated in financial years (April to March) but spent across school years (September to July). The additional use of this reserve is offset against a reduction in the Group reserves allocation.
- The use of reserves to cover a range of one-off and time-limited items. This includes:
  - One-off unavoidable cost pressures, including:
    - £2.9 million for the one-off fit-out and dual running costs from the move to Palestra
    - £1.1 million for time-limited costs of implementing the new HR system
    - £0.8 million for the consultation and service design costs of the strategic licensing pilot
    - £0.7 million for costs associated with the development of the new London Plan, which is a statutory requirement, and important to London’s growth and housing delivery.
  - Additional investments and contingencies, including: £1.5 million for London Stadium (contingency costs); and £1.0 million to fund a new team to implement the expected Tourist Levy in London. There are one-off costs within the overall investment in the new strategic licensing team, of £0.8 million and £0.5 million for two years (£1.0 million in total), to implement the recommendations of the Night Life Taskforce.

3.15. This use of reserves is offset by some significant contributions to reserves, notably the following:

- A £20.0 million contribution to the Major Events reserve, to create the Major Events fund, as part of the package of new strategic investments.
- A £9.5 million contribution to the Elections reserve, as part of an annual contribution to help spread the cost of the GLA elections (which are held every four years). £0.3 million of the reserve is currently planned to be drawn down in 2026-27, resulting in a net transfer of £9.2 million. The likely profile of drawdowns in 2027-28 and 2028-29 will become clearer over the next six months, as the procurement of a contractor to support electronic counting of the 2028 elections is concluded, and other aspects of the plan are developed in more detail.

3.16. Further details on the use of reserves, as well as a refreshed Reserves and Balances policy, are included in Appendix A.

### **Interest receipts**

3.17. Interest income forecasts are based on:

- the average amount of cash expected to be held in the London Liquidity Fund, managed by London Treasury Limited
- the expected interest return on investment (target return of the Sterling Overnight Index Average interest rate, plus a margin of 40 basis points).

3.18. This forecast has increased since the draft budget as a result of updated forecasts of the GLA’s estimated cash balance over the plan period.

### **Interest receipts from GLA Land & Property (GLAP) Limited**

- 3.19. This is a forecast of the estimated interest due from GLAP to the GLA. It is based on: loans given to GLAP, from the GLA, for investment in a range of commercial housing developments; and GLAP having repaid its short-term general loan from the GLA ahead of schedule.

### **Interest payable**

- 3.20. This interest, paid by the GLA, primarily relates to interest payable on external loans held by the GLA with the Public Works Loan Board.

### **Mayoral strategic investments**

- 3.21. Table 8 above, sets out the sources of funding for the Mayoral strategic investments allocated in the GLA Group final budget. The one-off funding sources consist of £25.7 million from Group reserves and £33.8 million from the collection fund surplus. Of the £61.8 million business rates income, only £12.4 million in 2027-28 and £12.7 million in 2028-29 is recurring.

### **London Stadium**

- 3.22. London Stadium transferred to GLA Holdings Ltd from the LLDC on 31 March 2025, as set out in MD3324 and MD3770. The budget contribution of £23.0 million – made as a direct equity injection into London Stadium LLP (the body set up to manage London Stadium) – relates to the operational losses of London Stadium as it delivers the contracts with West Ham United and UK Athletics; and stadium-maintenance costs.
- 3.23. For 2026-27, the budget is funded through a combination of GLA Group reserves and a transfer of business rates to the GLA; these are then passported to London Stadium. For 2027-28 and future years, this funding comes solely from an allocation of business rates to the GLA: Mayor. This funding is shown in the Resources section, for full transparency; it has been moved from Core Functions in the draft budget.
- 3.24. Note that because this is an equity transfer from the GLA: Mayor to London Stadium, this shows as a £23 million capital line in the Capital Strategy section (this is a technical accounting requirement). The GLA makes equity contributions into London Stadium LLP as an external arms-length company. This is to ensure that contributions are made in a legally compliant and tax-efficient way. This is consistent with the approach previously taken by the LLDC in funding London Stadium.

### **Minimum revenue provision (MRP)**

- 3.25. MRP is a rule that applies to local authorities in the UK, to ensure funds are set aside each year to repay the principal of any borrowing. For 2026-27, the approach to presenting MRP has been updated to make it clear that this a cost – having previously been netted from interest receivable. MRP cost is now shown in the expenditure section.

#### 4. DELIVERY PORTFOLIO

- 4.1. There are 14 GLA-led strategic programmes contributing to the Mayor’s aim to create a London that is fairer, safer, greener and more prosperous for everyone.
- 4.2. Delivery plans with clear measurable goals have now been agreed for all 14 programmes. These can be accessed at the links embedded in Appendix F.
- 4.3. The final net budget position (excluding any external funding ringfenced for specific activities) across the delivery portfolio is summarised in Table 10, below:

**Table 10 – Portfolio net budget 2025-26 to 2028-29**

Programme	Budget 2025-26	Plan 2026-27	Budget 2026-27	Plan 2027-28	Plan 2028-29
	Net	Net	Net	Net	Net
	£m	£m	£m	£m	£m
Building more homes	5.6	3.8	6.6	5.6	5.2
Making best use of land	1.4	1.0	3.7	3.7	3.0
Improving London’s housing stock	6.9	3.9	6.4	3.3	0.3
Reducing inequalities	12.3	12.2	11.4	9.9	9.8
Accommodation and wider support for those who need it most	15.3	18.8	27.4	18.9	15.9
Reducing non-residential emissions	12.9	12.8	6.2	6.1	6.2
Delivering a greener, more climate-resilient London	8.6	11.7	14.8	8.6	8.3
Cleaning London’s air	1.7	1.7	1.6	1.6	1.6
Supporting Londoners to benefit from growth	9.1	8.3	29.4	13.0	13.2
Supporting and inspiring young London	156.1	160.2	172.9	110.6	107.5
Boosting London’s growth sectors	16.9	16.6	36.4	32.7	34.9
Helping local economies to thrive	6.7	3.0	10.3	4.8	5.4
Upgrading London’s infrastructure	1.6	1.6	2.7	2.7	2.7
Supporting community, cultural and sporting events in London	19.4	19.5	20.1	20.8	20.4
Transport programmes	-	-	1.2	1.2	1.2
<b>Total portfolio budget</b>	<b>274.7</b>	<b>275.2</b>	<b>351.1</b>	<b>243.4</b>	<b>235.6</b>

- 4.4. The table shows the resources currently allocated to deliver each programme in 2026-27, and over 2027-28 to 2028-29. This includes the addition of new funding (which is subject to change as specific decisions regarding its use are taken by the Mayor); and the planned delivery of savings and efficiencies. Some changes to allocations reflect decisions taken during delivery plan development to move specific projects between programmes, as set out in the relevant MD. Future years’ budgets are subject to the annual budget-setting process.
- 4.5. It should be noted that the transport programmes budget was originally part of the Upgrading London’s infrastructure delivery plan. It has now been separated out, to align more closely with the planned TfL-led programmes. This budget covers staff costs and the costs of the congestion charge adjudication service.
- 4.6. Table 11, below, summarises the investments and savings applied to the delivery portfolio in this final budget.

**Table 11 – Delivery portfolio investments and savings, 2026-27 to 2028-29**

<b>Delivery portfolio budgets</b>	<b>2026-27 £m</b>	<b>2027-28 £m</b>	<b>2028-29 £m</b>
Total strategic investments	116.08	27.02	25.52
Total savings	(9.61)	(9.89)	(8.93)
<b>Net impact</b>	<b>106.47</b>	<b>17.13</b>	<b>16.59</b>

4.7. Further details on these investments and savings are set out below.

### **Investments in delivery portfolio**

4.8. Table 12, below, shows investment by delivery programme. Again, it should be noted that the phasing of some of this spend will likely change between financial years, as detailed plans for delivery are developed.

**Table 12 – Delivery portfolio investments, 2026-27 to 2028-29**

<b>Delivery programme</b>	<b>2026-27 £m</b>	<b>2027-28 £m</b>	<b>2028-29 £m</b>
Making best use of land	0.70	0.70	0.00
Improving London's housing stock	3.00	0.00	0.00
Accommodation and wider support for those who need it most	8.00	0.51	0.52
Delivering a greener, more climate-resilient London	5.0	0.00	0.00
Supporting Londoners to benefit from growth	22.0	6.14	6.28
Supporting and inspiring young London	50.00	5.10	5.20
Boosting London's growth sectors	19.79	12.29	11.28
Helping local economies to thrive	7.59	2.28	2.23
<b>Total portfolio growth</b>	<b>116.08</b>	<b>27.02</b>	<b>25.52</b>
Supporting community, cultural and sporting events in London*	20.00		
<b>Total portfolio growth and reserves transfer#</b>	<b>136.08</b>	<b>27.02</b>	<b>25.52</b>

\*Note – this £20 million transfer to reserves is for future spend on major events. There are currently no confirmed plans for its use in 2026-27.

#This table includes the strategic investments set out in the final GLA Group budget (Table 2) and the other Mayoral strategic investments (Table 3).

4.9. This section sets out the investments in more detail by programme.

### **Making best use of land: an investment of £0.7 million in 2026-27; and £0.7 million in 2027-28**

4.10. We will invest further in the development of the next London Plan, which will be central to securing growth for London and accelerating new housing delivery. The new London Plan is expected to represent a significant shift from earlier plans, given the increased housing targets set by government. As with the production of previous London Plans, additional investment is required to cover additional staffing; associated consultations; an allowance for additional legal advice; and the costs of running the Examination in Public. Given the cyclical nature of this work, reserves will be drawn down to fund this.

### **Improving London's housing stock: an investment of £3.0 million in 2026-27**

4.11. This strategic Mayoral investment of £3.0 million is to help tenants living in unacceptable conditions.

### **Accommodation and wider support for those who need it most: an investment of £8.0 million investment in 2026-27; and £0.5 million in 2027-28 and 2028-29**

- 4.12. This investment will support further action to tackle rough sleeping, building on the range of existing programmes already supported in this budget.

**Delivering a greener, more climate-resilient London: an investment of £5.0 million investment in 2026-27**

- 4.13. This investment will support Londoners to enjoy the city's waterways, through the Swimmable London project.

**Supporting Londoners to benefit from growth: an investment of £22.0 million in 2026-27; £6.14 million in 2027-28; and £6.28 million in 2028-29**

- 4.14. A £2 million investment will support the expansion of our work to support Londoners to claim the benefits they are due. In addition, an investment of £20.0 million in 2026-27 will support taking forward the recommendations from the Mayor's Taskforce on AI, to help Londoners and businesses prepare for the jobs of the future. There is further investment of £4.1 million in 2027-28 and £4.2 million in 2028-29.

**Supporting and inspiring young London: an investment of £50.0 million in 2026-27; £5.1 million in 2027-28; and £5.2 million in 2028-29**

- 4.15. This investment will provide significant further support for young Londoners.

**Boosting London's growth sectors: an investment of £19.79 million investment in 2026-27; £12.29 million in 2027-28; and £11.28 million in 2028-29**

- 4.16. Between 2022-23 and 2025-26, London received an average of £50 million per year from the UKSPF. This has provided funding for a range of critical growth-focused projects. The government has announced that this funding will end in March 2026.

- 4.17. This budget provides for an investment of £10 million per year to mitigate the worst impacts of losing UKSPF, by protecting crucial business support activity previously funded by UKSPF.

- 4.18. It also provides investment in:

- increasing investment and tourism, with £8.3 million of funding in 2026-27 to encourage greater levels of visitors to, and investment in, London, to increase jobs and economic growth; there is further investment of £0.8 million of investment in 2027-28 and 2028-29
- a team to deliver the proposed Tourist Levy (£1 million in 2026-27 and 2027-28)
- the GLA's responsible procurement programme (£0.49 million).

**Helping local economies to thrive: an investment of £7.59 million in 2026-27; £2.28 million in 2027-28; and £2.23 million in 2028-29**

- 4.19. An investment, totalling £5.0 million in 2026-27, will support London's high streets and the hospitality sector.

- 4.20. In addition, we are funding the strategic licensing pilot we are running with the support of the government, as laid out in MD3422. Investment has been increased to reflect the fact that additional costs are required to deliver this pilot, including consultation and service design costs. This takes the total investment in the strategic licensing pilot to £2.09 million in 2026-27, £1.78 million in 2027-28, and £2.23 million in 2028-29. However, it is important to note that the associated costs remain an estimate. This is because service and organisational design can only be finalised in light of the legislation, if and when it comes into force. The higher costs in 2028-29 assume that the powers will be made permanent, following the pilot; and that further statutory processes will be required.

- 4.21. We will make additional investment in the night-time economy, following completion of the London Nightlife Taskforce’s review. Given this investment is £1 million over two years (£0.5 million in each of 2026-27 and 2027-28), this will be funded from reserves.

**Supporting community, cultural and sporting events in London: an investment of £20.0 million in 2026-27**

- 4.22. A £20.0 million investment will help secure more major events in London, boosting our economy. This funding is held in the Major Events reserve and is not yet applied to this programme budget. This funding will be drawn down in 2026-27 and future years.

**Savings in delivery portfolio budgets**

- 4.23. There are savings of £9.61 million included in the delivery portfolio budget in 2026-27, some of which are subject to consultation with affected staff. Table 13, below, summarises savings by strategic programme. There is further detail in Appendix C.

**Table 13 – Portfolio savings, 2026-27 to 2028-29**

Programme	2026-27 £m	2027-28 £m	2028-29 £m
Reducing inequalities	2.16	2.21	1.16
Reducing non-residential emissions	1.29	1.29	1.29
Delivering a greener, more climate-resilient London	0.15	(0.15)	0.15
Cleaning London’s air	0.20	0.20	0.20
Supporting Londoners to benefit from growth	0.68	1.15	1.15
Supporting and inspiring young London	1.64	1.72	1.72
Boosting London’s growth sectors	1.30	1.30	1.30
Helping local economies to thrive	0.77	0.75	0.55
Upgrading London’s infrastructure	0.82	0.82	0.82
Supporting community, cultural and sporting events in London	0.60	0.60	0.60
<b>Total portfolio savings</b>	<b>9.61</b>	<b>9.89</b>	<b>8.93</b>
<i>Of which: pay savings</i>	<i>6.26</i>	<i>6.81</i>	<i>6.81</i>
<i>Of which: non-pay savings</i>	<i>3.35</i>	<i>3.08</i>	<i>2.12</i>

- 4.24. All savings – both staffing and non-staffing – are assessed to be deliverable, with minimal impact on Londoners, through delivering differently; finding efficiencies; and focussing resources on Mayoral priorities.

**Reducing inequalities – total savings £2.16 million (pay savings of £0.96 million, non-pay savings £1.21 million)**

- 4.25. Staff restructure changes are proposed across several units within the Community and Skills directorate, following a review to identify more efficient ways of working – of which £0.96 million is attributable to the Reducing Inequalities Delivery Plan.
- 4.26. The most significant saving arises from not proceeding with the planned £1.0 million reserve allocation to the Propel project. To date, no projects have been identified as needing a GLA contribution across the large group of potential match funders. Therefore, the allocation is no longer required.
- 4.27. A reduction of £0.08 million in the Health Inequalities Strategy can be achieved without any material impact on planned outputs. A further £0.08 million saving can be achieved by delivering the engagement support for health equalities using existing staff resources, removing the need to commission external support.
- 4.28. Savings of £0.05 million have been generated through minor changes to several Culture and Creative Industries projects.

**Reducing non-residential emissions – pay savings of £1.29 million**

- 4.29. A saving of £0.16 million is achieved by ensuring that the costs of the Green Roots programme staff are fully funded from the programme budget. In addition, the Environment and Energy Unit leads the delivery of four strategic programmes (with all unit staffing costs reported against this programme); several of the strategic priorities within their delivery plans represent a shift from the previous focus of some teams, underpinning the proposed structural changes. In total, £1.13 million in staffing savings is anticipated; this is assigned to the Reducing Non-residential Emissions programme.

**Delivering a greener, more climate-resilient London – non-pay savings of £0.15 million**

- 4.30. Efficiencies of £0.15 million have been identified across the GLA's work on climate adaptation and resilience. This involves reduced spend on activities related to extreme heat and flooding.

**Cleaning London's air – non-pay savings of £0.2 million**

- 4.31. Total efficiency savings of £0.2 million has been identified following a review of activity in relation to Connectivity, Infrastructure and Air Quality.

**Supporting Londoners to benefit from growth – £0.68 million (pay savings of £0.63 million, non-pay savings of £0.05 million)**

- 4.32. This budget proposes a £0.05 million saving by reducing funding to the London Ownership Hub, as this work is now largely delivered through London & Partners' Grow London Local programme. As a result, the saving is expected to have minimal impact.
- 4.33. A restructure of the Skills and Employment Unit is planned for later this year, supporting the drive for more efficient ways of working. Of the assumed associated savings, £0.63 million is attributable to the Supporting Londoners to benefit from growth programme.

**Supporting and inspiring young London – £1.64 million (non-pay savings of £0.2 million; £1.44 million staffing)**

- 4.34. Staff restructure changes are proposed across several units in the Community and Skills directorate, following a review to identify more efficient ways of working, of which £1.44 million is attributable to the Supporting and inspiring young London programme.
- 4.35. In September 2025, the National Children’s Bureau (NCB) announced that it would take over delivery of the Healthy Schools London (HSL) and Healthy Early Years London (HEYL) programmes, with the intention of restructuring the schemes and improving efficiency. The budget to support both award schemes will continue to be provided to the NCB, but at a reduced level following negotiation – resulting in a saving of £0.1 million.
- 4.36. A budget saving of £0.1 million is proposed from the unallocated budget set aside for Sports Partnerships. There were no contractual commitments for this budget; therefore there is no impact on the programme.

**Boosting London’s growth sectors – £1.3 million saving (pay savings of £0.75 million, non-pay saving of £0.55 million)**

- 4.37. A saving of £0.21 million will be achieved, by delivering work to improve leadership diversity in the creative industries. This is part of the broader diverse workforce programme already in place in the Workforce Integration team, as part of the Boosting Londoners to Benefit from Growth programme. In addition, the £0.24 million allocation for innovation and technology – an area that has historically underspent – will be ceased, with future activity instead focused on accessing the significantly larger government Local Innovation Partnership Fund.
- 4.38. In addition, £0.1 million in savings has been delivered from the Responsible Procurement shared service, as a greater proportion of these costs and benefits are borne by TfL – this recognises the current balance of benefits secured.
- 4.39. Staff savings are proposed of £0.75 million in the Economic Development and Programmes unit, as a result of our review for efficiencies. This includes clarifying responsibilities between the GLA and London & Partners.

**Helping local economies to thrive – £0.77 million (pay savings of £0.3 million, non-pay savings of £0.47 million)**

- 4.40. Pay-related savings of £0.3 million have been achieved in the Good Growth coordination staffing budget.
- 4.41. Savings of £0.26 million have been generated in this programme, through closure of or changes to several Culture and Creative Industries projects.
- 4.42. Savings of £0.2 million have been achieved through a review of our approach to funding night-life activity over the next three years, including delivery of a Night Life Fund.

**Upgrading London’s infrastructure – total savings of £0.82 million (pay savings of £0.3 million, non-pay saving of £0.52 million)**

- 4.43. Total efficiency savings of £0.52 million have been identified following a review of programme activity in relation to connectivity, infrastructure and air quality.
- 4.44. Staff savings are proposed for the Connectivity, Air Quality Transport and Infrastructure unit of £0.3 million. This is to ensure the most efficient use of resources assigned to the Upgrading London’s Infrastructure programme.

**Supporting community, cultural and sporting events in London – pay savings of £0.6 million**

- 4.45. A staff saving of £0.6 million is proposed for the Culture and Creative Industries staffing, in light of the overall financial pressures and shift in focus to more strategic work.
- 4.46. Further details of the portfolio budget are included in the Appendices:
- Appendix D includes the directorate budget by programme for 2026-27 and a comparison of Budget 2025-26 (March 2025) to Draft Budget 2026-27. The main changes include the allocation of the 2025-26 pay award; the reported movements between programmes, as set out in the MDs that have been agreed since April 2025; new grant funding; and the strategic investments of £129.6 million detailed above.
  - Appendix E shows the detailed delivery plan budgets in more detail for 2026-27, 2027-28 and 2028-29.

## 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 unavoidable pressures that need to be met. These are described in this section.

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 and 2025-26 budgets. This makes it clear how this funding is deployed; and the reasons behind any proposed changes from the previous 2026-27 plan, set in March 2025.

5.4. Core-functions teams and costs are organised into nine 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).

5.5. Table 14, below, illustrates the headline costs by category:

**Table 14 – Core budget summary (net), 2025-26 to 2028-29**

	<b>2025-26 Budget</b>	<b>2026-27 Plan</b>	<b>2026-27 Budget</b>	<b>2027-28 Plan</b>	<b>2028-29 Plan</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Core functions</b>	<b>Net</b>	<b>Net</b>	<b>Net</b>	<b>Net</b>	<b>Net</b>
Enabling services	57.8	52.4	55.8	55.1	55.2
Teams supporting strategic work	12.8	12.5	12.7	12.7	12.7
Teams fulfilling statutory obligations	7.2	7.3	6.6	6.8	7.2
Mayor's Office	6.6	6.7	6.9	7.0	7.0
Budget for pay award	5.4	8.0	5.6	10.6	10.9
Statutory events	1.5	1.5	1.3	1.3	1.3
CPNSC	1.9	1.8	1.8	1.8	1.8
GLA elections	0.2	0.2	0.3	0.3	40.2
<b>Total core</b>	<b>93.3</b>	<b>90.3</b>	<b>91.1</b>	<b>95.5</b>	<b>136.4</b>
MRP (not assigned to a directorate)			2.0	2.9	3.0

5.6. The table below outlines the funding sources for core functions budgets. GLA base funding is the main source, supplemented by reserve transfers. Internal recharges support the budgets of several of the enabling services, and external income streams such as planning income, sports centre fees, grant and rental income support other budgets.

**Table 15 – Core budgets 2026-27 funding sources**

Core functions	Gross budget	Other income	Net budget	Reserves	GLA base funding
	£m	£m	£m	£m	£m
Enabling services	62.9	6.8	55.8	6.4	49.4
Teams supporting strategic work	13.5	0.9	12.7	0.0	12.7
Teams fulfilling statutory obligations	10.4	3.8	6.6	0.0	6.6
Mayor's Office	7.0	0.1	6.9	0.0	6.9
Budget for pay award and additional pension contributions	5.6	0.0	5.6	0.0	5.6
Statutory events	1.3	0.0	1.3	0.0	1.3
CPNSC	3.8	1.9	1.8	0.0	1.8
GLA elections	0.3	0.0	0.3	0.3	(0.0)
<b>Total core</b>	<b>104.9</b>	<b>13.4</b>	<b>91.1</b>	<b>6.7</b>	<b>84.4</b>
MPR (not assigned to a directorate)	2.0		2.0		2.0

5.7. The Core budgets above include a range of cost pressures and savings. These are set out below.

**Table 16 – Core pressures and savings, 2026-27 to 2028-29**

Core budgets	2026-27 £m	2027-28 £m	2028-29 £m
Total cost pressures	13.62	12.28	12.40
Total savings	(5.85)	(5.85)	(5.85)
<b>Net impact on core budgets</b>	<b>7.77</b>	<b>6.43</b>	<b>6.55</b>

5.8. This budget sets out the following cost pressures, which are described in more detail by relevant team later in this report:

**Table 17 – Core pressures, 2026-27 to 2028-29**

Core pressures	2026-27 £m	2027-28 £m	2028-29 £m
Statutory planning (part of teams fulfilling statutory obligations – see Table 14)	1.64	1.64	1.64
London Resilience Unit (part of teams fulfilling statutory obligations)	0.65	0.65	0.65
Collaborative procurement (part of enabling services, CRBI)	0.14	0.14	0.14
Additional capacity – Finance, Executive Support, IT, Corporate Strategy (part of enabling services)	1.32	1.32	1.32
<b>Budget realignment</b>	<b>3.75</b>	<b>3.75</b>	<b>3.75</b>
FM – move to Palestra (part of enabling services, CRBI)	3.98	1.52	1.52
FM – inflation (part of enabling services, CRBI)	0.00	0.41	0.43
People Function (part of enabling services, CRBI)	1.13	1.13	1.13
Shared services – CRBI (part of enabling services, CRBI)	0.49	0.49	0.49
Shared services – Finance and Audit (part of enabling services, Chief Finance Officer (CFO))	0.02	0.02	0.02
London Stadium provision (part of enabling services, CFO)	1.50	1.50	1.50
Pensions contributions & pay award (part of enabling services, CFO)	2.75	3.46	3.56
<b>Unavoidable cost pressure</b>	<b>9.87</b>	<b>8.53</b>	<b>8.65</b>

<b>Total core pressures</b>	<b>13.62</b>	<b>12.28</b>	<b>12.40</b>
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### Savings in core budgets

- 5.9. There are savings of £5.85 million included within core budgets for 2026-27, and future years, which help to offset the cost pressures set out above.

**Table 18 – Core savings, 2026-27 to 2028-29**

<b>Core functions</b>	<b>2026-27 £m</b>	<b>2027-28 £m</b>	<b>2028-29 £m</b>
Digital Experience	1.50	1.50	1.50
FM	0.08	0.08	0.08
CFO	0.96	0.96	0.96
Shared Services	1.20	1.20	1.20
Statutory Planning	0.60	0.60	0.60
City Intelligence Unit	0.67	0.67	0.67
Public Liaison Unit and External Relations	0.51	0.51	0.51
London Resilience Unit	0.33	0.33	0.33
<b>Total core savings</b>	<b>5.85</b>	<b>5.85</b>	<b>5.85</b>
<i>Of which: pay savings</i>	<i>3.90</i>	<i>3.83</i>	<i>3.83</i>
<i>Of which: non-pay savings</i>	<i>1.95</i>	<i>2.02</i>	<i>2.02</i>

- 5.10. The paragraphs below set out a description of each service; and the cost pressures and savings applicable.

## Enabling services

**Table 19 – Enabling services 2025-26 to 2027-28**

Core functions		2025-26 Budget £m net	2026-27 Plan £m net	2026-27 Budget £m net	2027-28 Plan £m net	2028-29 Plan £m net
<b>Enabling services</b>						
<b>CMT</b>		<b>8.8</b>	<b>8.4</b>	<b>3.2</b>	<b>3.2</b>	<b>3.3</b>
In-house costs		7.3	6.9	2.2	2.2	2.3
Transformation		1.5	1.5	1.0	1.0	1.0
<b>Digital Experience</b>	In-house costs	<b>8.9</b>	<b>8.0</b>	<b>5.8</b>	<b>5.8</b>	<b>5.7</b>
<b>TG</b>		<b>6.8</b>	<b>4.1</b>	<b>3.0</b>	<b>2.7</b>	<b>2.7</b>
In-house costs		3.1	0.4	0.5	0.3	0.3
Shared-service costs		3.7	3.7	2.4	2.4	2.4
<b>FM</b>		<b>11.8</b>	<b>11.8</b>	<b>15.4</b>	<b>13.3</b>	<b>13.4</b>
In-house costs		11.5	11.4	15.4	13.3	13.4
Shared-service costs		0.4	0.4	0.0	0.0	0.0
<b>CFO</b>		<b>7.2</b>	<b>7.3</b>	<b>13.3</b>	<b>14.8</b>	<b>14.8</b>
In-house costs		4.3	4.3	10.2	11.7	11.7
Shared-service costs		1.3	1.3	1.4	1.4	1.4
External audit		0.8	0.8	0.8	0.8	0.8
Insurance		0.8	0.9	0.9	0.9	0.9
<b>People Function</b>		<b>7.4</b>	<b>5.9</b>	<b>6.2</b>	<b>6.3</b>	<b>6.3</b>
In-house costs		4.7	4.1	5.1	5.2	5.2
Shared-service costs		1.9	1.9	1.1	1.1	1.1
Job families		0.8	0.0	0.0	0.0	0.0
<b>Executive Support</b>	In-house costs			<b>1.4</b>	<b>1.4</b>	<b>1.4</b>
<b>Business Improvement</b>	In-house costs			<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Performance &amp; Collaboration</b>	In-house costs			<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
<b>Governance</b>		0.8	0.8	0.8	0.8	0.8
<b>Information Governance &amp; Assurance</b>		0.3	0.4	0.4	0.4	0.4
<b>Internal audit</b>		0.2	0.2	0.2	0.2	0.2
<b>Legal</b>		3.1	3.1	3.3	3.3	3.3
<b>Procurement</b>		2.4	2.4	2.5	2.5	2.5
<b>Enabling Services total</b>		<b>57.8</b>	<b>52.4</b>	<b>55.8</b>	<b>55.1</b>	<b>55.2</b>

### Corporate Management Team (CMT)

- 5.11. The CMT budget comprises the costs of the GLA's Chief Officer and its Executive Directors; as well as some associated costs, including a small number of additional staff that support the Executive Directors closely and other associated costs (i.e. staff training budgets). Contingencies held by the Chief Finance Officer (CFO) have been transferred from CMT to CFO (see paragraph 5.30 below). The main movement during the year is that the Executive Support costs of £1.4 million are now shown separately.

5.12. The Chief Officer's Transformation Fund has been reduced from £1.5 million per year to £1 million per year for future years, with the balance transferred to the CFO to provide additional corporate capacity.

Digital Experience – saving of £1.5 million in 2026-27

5.13. The Digital Experience Unit supports the GLA's delivery programmes through the London.gov.uk website; Talk London; Data for London; and our grant systems, and associated transformation programme.

5.14. A key project for the coming year is to support the transformation of GLA programme portfolio management and grant delivery, by implementing and embedding two key system changes.

5.15. During 2025-26 the budget reduced by £0.7 million following a review. This lower base budget has been taken forward into 2026-27.

*Pay savings of £1.5 million in 2026-27*

5.16. The Digital Experience Unit has expanded significantly in recent years, to deliver key digital infrastructure improvements and support changes arising from the move to shared services. With the 14 strategic programmes now agreed, a review of the team has been undertaken to ensure it is focused on the activity required to deliver those programmes, while operating as efficiently as possible. The proposed saving is £1.5 million.

Technology Group (TG) – growth of £0.27 million in 2026-27

5.17. TG is responsible for maintaining core IT systems and infrastructure; and ensuring secure and efficient technology operations across the GLA. In March 2022, the GLA decided to enter into a shared-services arrangement with TfL. This would transfer the majority of our infrastructure to TfL, with the GLA retaining some services such as the Digital Experience Unit and broadcasting.

5.18. It was expected that the final phase of the transfer from TG to TfL would be completed during 2023-24. This was delayed, in large part due to the cyber-attack on TfL. Significant progress has been made – including issuing new TfL devices to GLA staff, and the TUPE transfer of TG staff to TfL. The Office 365 migration project completed in March 2026.

5.19. There will be a small, retained IT team who are responsible for:

- managing the IT shared services and outsourced contracts
- managing the broadcast and audio-visual services
- cyber management and assurance
- incident management.

5.20. The 2026-27 budget reflects the ongoing costs, once the transition of services to TfL is complete. Comparison between years is made complex by the fact that, in 2025-26, part of this service transition was funded through the Group Collaboration budget. In addition, a budget reduction of £2.2 million took place in 2025-26, following a budget review.

*TG staffing budget realignment: £0.27 million in 2026-27*

5.21. This funding covers additional posts to ensure that the GLA's retained IT function can operate effectively, as part of delivering a residual service as part of the IT Shared Services transformation project with TfL.

FM – savings of £0.8 million in 2026-27; and growth of £3.98 million in 2026-27, £1.93 million in 2027-28 and £1.95 million in 2028-29

The FM unit provides a range of accommodation, security and other services to the GLA; and manages Trafalgar and Parliament Squares.

*Non-pay savings of £0.8 million in 2026-27*

- 5.22. Savings and additional income for City Hall totalling £0.8 million are proposed. This includes reducing overnight access hours to the building; and strengthening controls over the level of fee waivers granted for events held at City Hall.

*Unavoidable cost pressures (Palestra move): £3.98 million in 2026-27; £1.52 million in 2027-28; £1.52 million in 2028-29*

- 5.23. The head lease at Union Street, held by London Fire Brigade (LFB), expires in March 2027.
- 5.24. In accordance with the GLA Group Collaboration Estates and FM Strategy 2025-35, GLA staff anchored at Union Street will move to TfL's Palestra building to maximise use of existing office space across the GLA Group. This will minimise the amount paid to external landlords. We have occupied space at Union Street since 2015. When we moved to new City Hall in early 2022, we increased our occupied space at Union Street to 25,000 square feet. We considered moving to Palestra at that point, but decided to remain at Union Street until the end of the lease, to minimise disruption to GLA staff and LFB.
- 5.25. We will occupy 38,757 square feet at Palestra over one-and-a-half floors. This represents an increase of around 55 per cent, compared to what we have at Union Street. All teams currently anchored at Union Street will be accommodated at Palestra, where we will have more desks and meeting-room capacity than at present. This allows us to meet increased demands for in-person working.
- 5.26. The space we are taking on at Palestra needs refurbishment, and we are starting that work now. The one-off costs of this work, and the costs of paying rent on two buildings during the refurbishment, are £2.9 million; this will be covered from reserves. Our ongoing rental costs at Palestra are £0.65 million over and above our current rental costs. In addition, a loss on subletting income of £0.83 million a year is forecast.
- 5.27. By remaining in a GLA Group property, along with LFB's associated move onto its own estate, we will further reduce the amount paid across the Group to external landlords for office accommodation. This builds on other such savings, including the move from the previous City Hall to Royal Docks – this was calculated to deliver an anticipated £58 million of savings for the GLA Group over five years.

*FM unavoidable cost pressures (inflation): £0.41 million in 2027-28; £0.43 million in 2028-29*

- 5.28. This is our best current estimate of future inflationary pressures on FM costs – such as building maintenance and cleaning in Trafalgar Square; broadcasting costs; and the Heritage Warden Service, in light of current contracts.

Chief Finance Officer (CFO) – savings of £0.96 million in 2026-27; and growth of £5.4 million in 2026-27, £5.76 million in 2027-28 and £5.86 million in 2028-29

- 5.29. The CFO 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; and with MOPAC for internal audit. This directorate also includes corporate governance and corporate programme management office functions.
- 5.30. This budget also contains a limited amount of contingency budget to mitigate several corporate risks previously shown under CMT. This includes a central corporate contingency and an additional contingency which is expected to be fully drawn down in 2026-27 to fund the transitional and ongoing costs of the Job Families implementation. These contingencies are shown here, having previously been shown under CMT, as these are held within the Chief Finance Officer Directorate and are overseen by the CFO.

*Non-pay savings of £0.3 million in 2026-27*

- 5.31. Reduction in the budget for vacant posts, and non-staff budget, for London Treasury Limited results in a reduction in the recharge to the GLA of £0.3 million. This budget was held as a staffing budget; however, there are no staffing implications as a result of this.

*Pay savings of £0.66 million in 2026-27*

- 5.32. As part of our broader review of organisational structures, we are also considering changes to the leadership structure, which are expected to deliver savings of £0.66 million. This saving is held in the CFO team, pending the outcome of this review before this is allocated to the appropriate strategic programmes and directorates. There is a modest staff saving within the CFO team in relation to the Strategic Programmes, and Corporate Performance and Governance Units, which has netted off from staff growth within the Finance Units.

*Unavoidable cost pressures – pay award and pensions contributions: £2.75 million in 2026-27; £3.46 million in 2027-28; £3.56 million in 2028-29*

- 5.33. The GLA's three-yearly review of pensions contributions was completed by the London Pensions Fund Authority (LPFA) in November 2025. This review concluded that the GLA's pensions contributions were required to increase slightly in the 2026-27, with another small increase in the 2027-28 year. The fund remains fully funded; this increase is to ensure that the LPFA continues to hold a buffer against potential future pension risks. Therefore, this budget includes an additional allocation, held centrally by the CFO, to be allocated for increased pension contribution costs in 2026-27, 2027-28 and 2028-29 (the three years impacted by this triennial review). In addition, a small increase has been factored into the potential pay award for staff, with negotiations to be concluded after this budget has been approved.

*Budget realignment – additional staff capacity: £0.8 million in 2026-27*

- 5.34. This additional allocation recognises the range of work required, in the GLA's corporate centre, to ensure that the objectives set out in the Mayor's portfolio are achieved; and to help to deliver the transformation programme set out in this budget. In addition, the GLA and its Group of companies are subject to significant risks, particularly across the capital programme. This additional capacity recognises the need to manage these risks to ensure successful delivery for Londoners.
- 5.35. Therefore, this budget includes an allocation of £0.45 million to set up a Corporate Strategy team (currently held within this directorate, pending formal structure agreement) and £0.35 million to increase capacity across the Finance teams to bolster the GLA's capacity to manage risk.

*Unavoidable cost pressures – London Stadium provision: £1.5 million in 2026-27; £1.5 million in 2027-28; £1.5 million in 2028-29*

- 5.36. As part of the transfer of London Stadium from the LLDC to GLA Holdings Ltd, the budget includes a provision for risks associated with the constraints of the legacy contracting arrangements. This contingency is funded from reserves for 2026-27; but there will need to be a recurrent budget for this in future years.

People Function

- 5.37. 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. The team contracts with TfL for the provision of payroll, recruitment and MyHR portal services.
- 5.38. The People Function's work to introduce Job Families to the GLA is expected to take place by the end of 2026-27 to ensure that all our posts are graded appropriately relative to each other.

*Success Factors unavoidable cost pressure: £1.1 million in 2026-27*

- 5.39. By investing in the implementation of a new HR system (Success Factors), we are aiming to modernise ways of working by replacing the current system, which is no longer fit for purpose. The new system is essential for managing payroll and workforce operations; and will be fully integrated with TfL systems. The investment includes both TfL IT implementation costs, and the costs associated with the HR transformation team. Delivery of the new system is already under way. Given this is a time-limited investment, it will be met from reserves.

Executive Support, Business Improvement, and Performance and Collaboration – growth £0.35 million 2026-27

- 5.40. These three teams are part of the Corporate Resources and Business Improvement (CBRI) directorate. The Executive Support team – which provides executive assistant support to senior staff in the Mayor’s Office, the Chief Officer, and Executive Directors – was previously part of the CMT budget. The small Business Improvement, and Performance and Collaboration teams were set up to support the new CBRI directorate.

*Executive support budget realignment – additional support: £0.25 million in 2026-27*

- 5.41. This realignment ensures that the Executive Team, which supports members of the Mayor’s Office and the CMT, is properly resourced to reflect the current workload. This proposal aims to rectify this and provide additional support (noting that all support is shared by senior GLA officers).

*Business Improvement budget realignment – collaborative procurement: £0.1 million in 2026-27*

- 5.42. This budget realignment confirms the GLA’s contribution to the Group’s collaborative procurement costs.

Information Governance

- 5.43. The Information Governance team supports the GLA to manage its data securely; and comply with legislation, including Freedom of Information and data protection law.

Internal audit, legal and procurement services

- 5.44. The GLA’s internal audit services are provided by MOPAC. Its legal and procurement services are provided by TfL.

Shared Services (consolidated view) £1.2 million saving 2026-27 and growth of £0.5 million in 2026-27

- 5.45. The GLA holds a number of service-level agreements; services provided by the GLA Group include IT, legal, procurement, HR and FM.

*Non-pay reduction of £1.2 million in 2026-27*

- 5.46. Savings of £1.2 million are proposed across legal, IT shared services, procurement and HR services. This is expected to be delivered through greater controls on requests, reduction in IT tariffs and licence costs.

*Shared services pay inflation: £0.5 million in 2026-27*

- 5.47. This is a current estimate of the shared services pay inflation costs. £0.49 million covers IT, legal, procurement, HR and FM (within CBRI) and £0.02 million covers Internal Audit and the TfL finance back office (within the CFO team).

**Other services**

- 5.48. Other core functions are detailed below.

**Table 20 – Core budget summary: strategic and statutory functions, Mayor’s Office, statutory events (net)**

	2025-26 Budget	2026-27 Plan	2026-27 Budget	2027-28 Plan	2028-29 Plan
	£m	£m	£m	£m	£m
Core functions	Net	Net	Net	Net	Net
<b>Teams supporting strategic work</b>					
City Intelligence Unit	4.3	4.1	3.8	3.8	3.8
External Relations	5.4	5.3	5.8	5.8	5.8
Strategic Partnerships	3.1	3.1	3.0	3.0	3.1
Communities & Social Policy	0.0	0.0	0.1	0.1	0.1
<b>Teams supporting strategic work total</b>	<b>12.8</b>	<b>12.5</b>	<b>12.7</b>	<b>12.7</b>	<b>12.7</b>
<b>Teams fulfilling statutory obligations</b>					
London Resilience	3.0	3.1	3.4	3.5	4.0
Fire	0.6	0.6	0.6	0.6	0.6
Statutory Planning	3.7	3.7	2.6	2.7	2.6
<b>Teams fulfilling statutory obligations total</b>	<b>7.2</b>	<b>7.3</b>	<b>6.6</b>	<b>6.8</b>	<b>7.2</b>
<b>Other core functions</b>					
The Mayor's Office	6.6	6.7	6.9	7.0	7.0
Proposed pay award	5.4	8.0	5.6	10.6	10.9
Statutory events	1.5	1.5	1.3	1.3	1.3
CPNSC	1.9	1.8	1.8	1.8	1.8
GLA elections	0.2	0.2	0.3	0.3	40.2
<b>Total other core functions</b>	<b>15.5</b>	<b>18.2</b>	<b>16.0</b>	<b>21.0</b>	<b>61.2</b>

### Strategic work

City Intelligence Unit (CIU), External Relations Unit, and Strategic Partnerships Unit – savings of £1.18 million in 2026-27

- 5.49. The CIU provides insight and analysis to the Mayor of London and the GLA Group. Through a wide range of approaches, the CIU supports deep understanding of London’s people, economy, place in the world, and future.
- 5.50. 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 staff costs for the Events team. This covers the non-statutory elements of this team’s work.
- 5.51. The Strategic Partnerships Unit at the GLA supports the Mayor’s external engagement by managing international city relations; coordinating public affairs with boroughs and government; and handling public correspondence.

*Pay savings of £0.91 million in 2026-27*

- 5.52. Staff savings of £0.42 million are proposed in CIU – focussing the work required by our 14 strategic programmes whilst working as efficiently as possible. Further staff savings across the External Relations Unit and the Public Liaison Unit of £0.49 million, in total, are proposed.

*Non pay savings of £0.27 million in 2026-27*

- 5.53. As part of this total there is a planned non-pay reduction of £0.27 million through:
- a reduction in externally commissioned reports and research and analytical programmes (£0.19 million)
  - funding for the London Office Technology and Innovation (£0.05 million)
  - and a reduction and tighter controls on spending and activity Public Affairs and Strategic Partnerships unit (£0.03 million).

### **Statutory functions**

London Resilience Unit savings of £0.33 million in 2026-27; growth of £0.65 million in 2026-27

- 5.54. The London Resilience Unit supports the London Resilience Partnership by shaping long-term resilience policy; coordinating with national and regional partners to monitor and respond to incidents; and ensuring the GLA meets its legal duties under the Civil Contingencies Act, including support for the London Resilience Forum.

*Savings non pay – £0.1 million and pay of £0.23 million in 2026-27*

- 5.55. A reduction in contract expenditure and systems of £0.1 million is proposed in the London Resilience Unit. Pay savings of £0.23 million is proposed in anticipation of a new approach to risk identification and monitoring.

*London Resilience Unit budget realignment: £0.65 million in 2026-27, 2027-28 and 2028-29*

- 5.56. The budget for the London Resilience Unit has been increased. This is to ensure it is adequately resourced to meet current operational requirements, including staff allowances, training and digital systems.
- 5.57. A detailed budget review has identified a pressure of £0.65 million this year. This includes costs associated with maintaining staff capabilities through training; rising expenses for digital systems and Airwave radios; and staff allowances. These pressures were previously obscured by underspends resulting from vacancies during the unit's initial year of operation, and by Met Police funding that was accrued.

### Fire Unit

- 5.58. 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.

Statutory planning function – saving of £0.6 million and growth £1.64 million

- 5.59. 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 developing and implementing London Plan. Staff from this function also support the Mayor and the Deputy Mayor for Planning, Regeneration and the Fire Service, in the conduct of hearings, appeals, judicial reviews and local plan inquiries.

*Savings of £0.6 million*

- 5.60. Although we are protecting this unit from savings, there is up to £0.6 million staffing contingency in the budget that we do not believe will be used; we propose taking as a saving. This is a staffing budget but will not result in a reduction in FTEs.

*Statutory planning budget realignment: £1.64 million in 2026-27*

- 5.61. As noted in the consultation budget, the planning budget income target has been revised to better reflect actual and forecasted income levels. Since 2022, the budget included an overly ambitious income target, which was further inflated annually. For 2025–26, the income target stands at £3.2 million. This growing disparity between target and actual income has led to year-end drawdowns from the Planning Reserve. The proposed adjustment will align the budget with a more realistic income forecast, reducing reliance on reserves and improving financial sustainability.
- 5.62. The proposed budget adjustment of £1.26 million per year is intended to reset the income target at a realistic but ambitious level. It reduces the target from £3.2 million to £1.9 million, which is the average of the last three years' outturn income (£2.1 million in 2022-23; £1.9 million in 2023-24; and £1.7 million in 2024-25). This requires the consistent downward trend of recent years to be reversed.
- 5.63. In addition, this budget recognises a further £0.38 million for each year as an investment in additional planning staff. These staff will enable additional support for a range of portfolio objectives and recognises the importance of delivery across the range of housing and growth-related programmes.

### **Other core functions**

#### The Mayor's Office

- 5.64. The Mayor's Office directly supports the Mayor and the Mayoral advisers. Other than contractual pay increments, no growth is proposed in this budget.

#### Statutory events

- 5.65. 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 (CPNSC)

- 5.66. The CPNSC was inherited from the London Development Agency. The Mayor is committed to renovate and decarbonise the centre. The major project to deliver this remains on schedule. This revenue budget line reflects operating costs and subsidy, in part driven by the centre's historic energy-inefficient design.

### **Minimum revenue provision (MRP)**

- 5.67. Under local government financial rules, the GLA is required to set aside a specified amount annually, to repay outstanding debt. Following a review of the budget report tables, it is proposed that, for transparency, from 2026-27 onwards the MRP is held as an expenditure budget. This MRP budget takes into account the London Museum, the Royal Docks and CPNSC.
- 5.68. In the November report, we were considering whether to make a voluntary MRP in relation to our investments. However, during the preparation of the final budget, we carried out a wider review of reserves. As part of this exercise, we agreed to set aside a specific provision within reserves to cover risks associated with our housing service investments. This approach was chosen instead of making a voluntary MRP because it provides greater flexibility. Using reserves allows us to adjust the level of provision over time as risks evolve, rather than locking the organisation into a fixed MRP profile.

## **6. CAPITAL STRATEGY AND RESOURCES**

- 6.1. The Chartered Institute of Public Finance and Accountancy's (CIPFA's) Prudential Code creates a requirement for all members of the GLA Group to produce a Capital Strategy for 2026–27. The Capital Strategy includes the areas of expenditure for each strategic programme. Beyond the first five financial years, the strategy expresses the Mayor's ambition; but it does not necessarily reflect firm plans to invest, as this will depend on the availability of funding.

### **Purpose**

- 6.2. The purpose of the Capital Strategy is to provide an overview of the GLA'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**

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

### **Approach**

- 6.4. 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; 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.
- 6.5. A substantial portion of the capital programme is dictated by pre-existing commitments – for example, those included in the core budget for the 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.
- 6.6. 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 MHCLG.
- 6.7. 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.
- 6.8. The strategy is reviewed and refreshed annually.

### **Governance**

- 6.9. The Capital Strategy forms part of the GLA: Mayor annual budget, and is signed by the Mayor under cover of an MD. Each programme is monitored at least quarterly, and the performance against estimate is published as part of the GLA's quarterly monitoring report.
- 6.10. 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**

- 6.11. 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 over 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.
- 6.12. At present, housing programmes are being delivered in an extremely challenging environment. Several factors – including the lingering impacts of COVID-19 on the economy, Brexit and high interest rates – make it difficult for housing to be delivered within previously agreed parameters.
- 6.13. 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**

- 6.14. As mentioned above, the GLA's Capital Strategy is dominated by housing spend – the majority of which goes on supporting new, affordable homes through the Building more homes programme.
- 6.15. The capital budget is presented in alignment with the strategic programmes approved by the Mayor, with the majority of funding across the main housing-related programmes (building more homes, and improving London's housing stock). Borrowing and repayments 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.

### **Risks**

- 6.16. 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.
- 6.17. Beyond this, there are the perennial risks of cost overrun where projects are delivering physical assets, such as the CPNSC 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**

- 6.18. The GLA's borrowing strategy balances budgetary certainty with overall value for money. Aside from very short-term cash-flow management, the main purpose of 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.
- 6.19. With the GLA's unique statutory position, and its 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.
- 6.20. 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.

- 6.21. 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.

### Capital Strategy 2025-26 to 2029-30

#### Capital resources

- 6.22. Capital resources are drawn from a range of funding sources, the majority of which are external. For 2026–27, 89 per cent of total planned expenditure is expected to be externally funded through grants from government.
- 6.23. The Capital Strategy is presented in the tables below, by strategic programme. This strategy includes only those items for which funding has been identified and secured; it does not include aspirational or unfunded activity. Commentary on each delivery plan is provided further below. The year-by-year expenditure profile reflects forecasts provided by the project managers overseeing each delivery area.
- 6.24. The summary view of the Capital Strategy for the first five years is as follows:

**Table 21 – Capital programme summary, 2025-26 to 2029-30**

Resources	Budget £m	Budget £m	Plan £m	Plan £m	Plan £m
Government Grants	(1,877.1)	(2,566.6)	(1,630.3)	(1,516.8)	(1,702.0)
RCGF	-	(67.7)	(49.3)	(29.2)	(101.1)
Capital Receipts	(21.0)	(40.4)	(37.2)	(8.7)	-
Borrowing	(160.7)	(94.5)	(66.4)	(56.9)	(18.3)
Revenue Contributions	(6.2)	(8.0)	(4.3)	(3.4)	(1.1)
MDC Reserve	(24.5)	(23.0)	(23.5)	(23.9)	(24.4)
Borrowing (GFF)	(81.0)	(45.7)	(30.8)	(9.2)	(183.4)
Capital Funding Reserves (LLDC\GLA)	(24.7)	(24.4)	-	(5.7)	-
<b>Total resource</b>	<b>(2,195.1)</b>	<b>(2,870.1)</b>	<b>(1,841.7)</b>	<b>(1,653.8)</b>	<b>(2,030.2)</b>
<b>Expenditure</b>					
Building more homes	1,602.8	2,345.2	1,578.6	1,544.4	1,793.9
Improving London's housing stock	331.9	289.5	113.1	9.2	183.4
Cleaning London's Air	0.3	0.3	-	-	-
Supporting Londoners to benefit from growth	15.4	29.7	7.9	3.1	8.7
Boosting London's growth sectors	20.1	-	-	-	-
Helping local economies to thrive	4.4	10.8	0.4	0.4	-
Supporting community, cultural and supporting events in London	14.7	25.1	0.1	0.1	0.1
Total portfolio expenditure	<b>1,989.5</b>	<b>2,700.6</b>	<b>1,700.0</b>	<b>1,557.2</b>	<b>1,986.0</b>
Core	205.6	169.5	141.7	96.6	44.2
<b>Total expenditure</b>	<b>2,195.1</b>	<b>2,870.1</b>	<b>1,841.7</b>	<b>1,653.8</b>	<b>2,030.2</b>

## Building more homes

**Table 22 – Building more homes 2025-26 to 2029-30**

<b>Building more homes</b>	<b>2025-26 Budget £m</b>	<b>2026-27 Budget £m</b>	<b>2027-28 Plan £m</b>	<b>2028-29 Plan £m</b>	<b>2029-30 Plan £m</b>
Affordable Homes Programme (2016-23)	99.2	123.2	49.3	29.2	101.1
Affordable Homes Programme (2021-26)	1,380.2	956.6	310.0	232.9	403.6
Social Affordable Housing Programme 2026-36	-	1,170.0	1,170.0	1,170.0	1,170.0
Housing Zones	3.5	8.5	-	-	-
London Estate Regeneration Fund	25.0	-	-	-	-
Marginal Viability Fund	-	3.3	-	-	-
MHCLG Land Fund	43.9	17.3	-	-	-
City Hall Developer Investment Fund	-	49.5	45.3	110.3	119.2
Care & Support Programme	12.1	6.0	1.0	-	-
Community Housing Fund	22.0	3.7	1.5	-	-
Homelessness Change Programme	-	-	-	-	-
Pocket Living	5.0	5.0	-	-	-
Royal Docks Place	11.1	1.5	1.5	2.0	-
Beam Park - Network	0.8	0.5	-	-	-
<b>Total expenditure</b>	<b>1,602.8</b>	<b>2,345.2</b>	<b>1,578.6</b>	<b>1,544.4</b>	<b>1,793.9</b>

- 6.25. The Mayor has secured up to £11.7 billion of funding from the government to deliver the London Social and Affordable Homes Programme (LSAHP) 2026-36. This funding is expected to support thousands of new social and other affordable housing starts in London up to 2036. This is in line with commitments in the building more homes delivery plan, as approved in MD3378. This funding is reflected in our capital resources, detailed below.
- 6.26. Increasing the delivery of social and other affordable housing is one of the Mayor’s key priorities. There are several key programmes that support this. The GLA is managing three simultaneous AHPs that are at different stages:
- The GLA is continuing to fund completions for constructions that commenced by the end of March 2023, within the 2016-23 AHP. These sub-programmes include Housing Zones; and some residual projects from the Homelessness Change programme. The forecast budgets provided below are an aggregation of the sub-programmes to form the overall AHP 2016-23 budget. Overall, to 31 March 2025, the GLA has spent £4.604 billion of the programme budget; and we have further provisional commitments of £247 million. To note, forecasts will continue to change in response to market conditions. Therefore the commitments (and future forecasts) will accordingly continue to change.
  - For the AHP 2021-26, the total budget now stands at £4.160 billion, following the inclusion of the £160 million additional funding from MHCLG. By the end of March 2025, £876.7 million has been spent, leaving £3.283 billion remaining. As with the 2016-23 AHP, significant payments are made following the completion of housing schemes, meaning that expenditure lags the start-based programme duration.
  - The LSAHP 2026-36 marks the next phase of long-term investment in affordable housing, structured as a 10-year programme. The total 10-year budget of £11.7 billion has been agreed with MHCLG. There is no confirmed annual expenditure profile at this stage; and detailed

profiling will not take place until later next year, once programme bids have been assessed. For planning purposes, the budget has been provisionally split evenly across the 10 years, pending further refinement.

- Alongside the AHP, we are also supporting several estate-regeneration schemes through the London Estate Regeneration Fund. The fund supports projects that are already supported by the 2021-26 AHP; but that still have a viability gap, due to high upfront costs. Six council and registered provider projects were allocated a share of the £50 million programme, payable in 2024-25 and 2025-26. The full amount has been paid to the GLA.

- 6.27. The GLA supports wider housing delivery via investment through the Mayor’s Land Fund; and the Marginal Viability Fund (part of the government’s Housing Investment Fund, which the GLA administers). In the Royal Docks area, it uses funding collected as part of the local enterprise zone.
- 6.28. The GLA will continue to support delivery of homes that meet the needs of a wide range of Londoners across its capital programmes in 2026-27. This includes specialist and supported housing, through the new LSAHP – subject to sufficient revenue funding being available from the government to meet the ongoing costs associated with this type of housing, and through discrete programmes in these areas.
- 6.29. As part of the GLA’s Integrated Settlement, funding of £324.3 million has been allocated for the City Hall Developer programme. In line with the commitments in the Building More Homes delivery plan, the fund will help to unlock and accelerate housing delivery with an initial focus on stalled sites that can deliver housing completions by summer 2029 (or earlier). This funding is received from government as a capital grant. It should be noted that, within the Integrated Settlement, there is flexibility to treat up to 10 per cent of this funding as revenue funding.

### Improving London’s housing stock

**Table 23 – Improving London’s housing stock 2025-26 to 2029-30**

	<b>2025-26 Budget £m</b>	<b>2026-27 Budget £m</b>	<b>2027-28 Plan £m</b>	<b>2028-29 Plan £m</b>	<b>2029-30 Plan £m</b>
<b>Improving London’s housing stock</b>					
ACM Cladding Remediation	55.0	17.0	-	-	-
Private Sector Cladding	29.2	12.2	7.3	-	-
Building Safety Fund	168.7	216.0	68.0	-	-
Warmer Homes Capital	-	18.7	18.3	-	-
Green Finance Fund Programme	79.0	25.7	19.5	9.2	183.4
<b>Expenditure total</b>	<b>331.9</b>	<b>289.5</b>	<b>113.1</b>	<b>9.2</b>	<b>183.4</b>

- 6.30. 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. It is also investing in programmes that improve building efficiency and therefore reducing climate impact.
- 6.31. GLA is leading a consortium of 31 boroughs to deliver the Warm Homes Local Grant (WHLG) programme. WHLG is a grant-funded retrofit programme, dedicated to implementing energy-efficiency and low-carbon heating upgrades to low-income households across the owner-occupied and private-rented-sector tenures.
- 6.32. In relation to programmes designed to meet environmental outcomes, unless external funding is received for other purposes, future capital expenditure 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 London Stadium’s solar roof project and the CPNSC. (These are captured under Core, further below.) The GFF figures also include an estimated profile for future investment under the GFF.

### Supporting community, cultural and sporting events in London

**Table 24 – Supporting community, cultural and sporting events in London 2025-26 to 2029-30**

Supporting community, cultural and supporting events in London	2025-26 Budget £m	2026-27 Budget £m	2027-28 Budget £m	2028-29 Budget £m	2029-30 Budget £m
London Museum	14.6	25.0	-	-	-
Fourth Plinth	0.1	0.1	0.1	0.1	0.1
<b>Expenditure total</b>	<b>14.7</b>	<b>25.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>

- 6.33. Spending within the programme of supporting community, cultural and sporting events includes the Fourth Plinth capital scheme. This rolling series 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.

### Cleaning London’s air

**Table 25 – Cleaning London’s air 2025-26 to 2029-30**

Cleaning London’s air	2025-26 Budget £m	2026-27 Budget £m	2027-28 Budget £m	2028-29 Budget £m	2029-30 Budget £m
Air Quality	0.3	0.3	-	-	-

- 6.34. Air-quality spend is classified under the programme of cleaning London’s air. This provides for capital investment in London’s network of air-quality sensors.

### Helping local economies to thrive

**Table 26 – Helping local economies to thrive 2025-26 to 2029-30**

Helping local economies to thrive	2025-26 Budget £m	2026-27 Budget £m	2027-28 Budget £m	2028-29 Budget £m	2029-30 Budget £m
Creative Enterprise	0.4	0.4	0.4	0.4	-
Civic Partnership Programme	4.0	10.4	-	-	-
<b>Expenditure total</b>	<b>4.4</b>	<b>10.8</b>	<b>0.4</b>	<b>0.4</b>	<b>-</b>

- 6.35. Spending within the programme of helping local economies to thrive enables delivery 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.
- 6.36. The Civic Partnership Programme is a grant funding project, 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. This programme is due to end in 2026-27. The GLA will continue to seek external capital funding for regeneration from the government and other potential partners.

### Supporting Londoners to benefit from growth

**Table 27 – Supporting Londoners to benefit from growth 2025-26 to 2029-30**

Supporting Londoners to benefit from growth	2025-26 Budget £m	2026-27 Budget £m	2027-28 Budget £m	2028-29 Budget £m	2029-30 Budget £m
Skills for Londoners	4.9	15.7	5.0	-	-
Skills for Londoners Capital Fund R2	-	3.1	-	-	-
Skills for Londoners Capital Fund R3	10.5	-	-	-	-
Construction Skills	-	-	-	-	-
Adults Skills & Employment: project-based	-	5.6	1.5	1.6	4.5
Adults Skills & Employment: technical excellence	-	5.3	1.4	1.5	4.2
<b>Expenditure total</b>	<b>15.4</b>	<b>29.7</b>	<b>7.9</b>	<b>3.1</b>	<b>8.7</b>

- 6.37. Capital investment in further education (FE) facilities will enable providers to deliver high-quality, inclusive training aligned with employer needs – helping Londoners benefit from growth. This investment also enhances access to information that supports informed decisions about training for learners and employers alike. Programmes under this theme include targeted support for construction skills and FE.
- 6.38. As part of the Integrated Settlement, additional funds were received for construction skills, as set out in the table above. The Project Based and Technical Excellence Colleges capital funds are to:
- create suitable facilities equipped to deliver current and future construction skills and align these facilities with the needs of employers
  - undertake construction qualifications in Construction, Planning and the Built Environment where there is insufficient capacity to meet demand
  - support the Government’s target of achieving net zero-carbon emissions.

### Core capital programme

- 6.39. The table below includes several programmes that have historically been funded through the Core section of the budget.

**Table 28 – Core capital programme 2025-26 to 2029-30**

Core	2025-26 Budget £m	2026-27 Budget £m	2027-28 Budget £m	2028-29 Budget £m	2029-30 Budget £m
Data for London	0.1	0.1	0.2	0.1	-
Crossrail	1.5	-	-	-	-
LLDC Capital Projects	16.9	-	22.1	-	-
LLDC Capital Projects (CFR)	24.7	24.4	-	5.7	-
LLDC-GLAP JV Stratford	2.9	2.9	5.1	8.2	0.5
LLDC Solar Membrane (GFF)	2.0	-	-	-	-
London Stadium (clarify project description)	24.5	23.0	23.5	23.9	24.4

Core	2025-26 Budget £m	2026-27 Budget £m	2027-28 Budget £m	2028-29 Budget £m	2029-30 Budget £m
OPDC Programme (Loan)	112.4	38.0	6.8	-	-
Oxford Street DC	2.7	27.1	30.9	46.7	17.8
Elephant & Castle	2.0	2.0	1.0	0.5	0.5
City Hall Infrastructure	2.2	4.7	0.6	0.4	0.5
Trafalgar and Parliament Sq.	1.2	1.7	1.1	0.4	0.5
ICT Infrastructure	-	-	1.0	1.0	-
PC Laptop Replacement	0.2	0.7	0.9	0.9	-
Printer	0.3	-	0.1	0.1	-
Telephony	-	-	0.1	0.1	-
Crystal Palace National Sports Centre	12.0	45.0	48.5	8.7	-
Expenditure total	205.6	169.5	141.7	96.6	44.2

- 6.40. The LLDC Capital Projects relate to the construction and completion of the East Bank cultural and educational district in the Queen Elizabeth Olympic Park.
- 6.41. The LLDC-GLAP joint venture in 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; and now reflects the final GLA Group budget.
- 6.42. London Stadium is included for technical accounting purposes and represents the fact that the Stadium is funded via an equity injection rather than by grant. The total budget for London Stadium is £23 million.
- 6.43. The OPDC is engaged in buying private land to ensure full control of the Old Oak West site. There are only a fixed number of properties that need purchasing; the OPDC has purchased more private land than expected in 2025-26, leaving fewer properties to purchase in 2026-27. This reflects the GLA Group budget agreed in February.
- 6.44. A budget of £27.1 million for 2026-27 is set out here to reflect the plans for pedestrianisation of Oxford Street.
- 6.45. 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.
- 6.46. The table above shows expected capital spend by the CRBI directorate on the GLA's own assets. This includes: IT investment and replacement; core accommodation capital costs; and capital spend to maintain Trafalgar and Parliament Squares.
- 6.47. The major refurbishment of the CPNSC is being managed by the GLA's Housing and Land directorate. This capital funding, which incorporates financing provided to the project by the Mayor's GFF, will support the comprehensive refurbishment of the Grade II\* listed building. Following the submission of full planning and listed building consent in February 2026, and subject to planning approval, construction works for the National Sports Centre building are due to commence on site later in 2026 with an anticipated time to complete the building programme of two years.

### Capital Strategy 2030-31 to 2044-45

- 6.48. The Capital Strategy up to 2044-45 sets out aspirations and plans to implement the Mayor's policies over the longer term.

6.49. 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.

6.50. The forward view of the GLA’s future capital budgets includes the Mayor’s aspirations for ongoing capital investment in support of economic growth. This could include:

- support for digital and data connectivity
- continued investment in London’s cultural and creative industries, including (but not limited to) its network of Creative Enterprise Zones
- investment in regeneration projects across the capital that:
  - provide new workspace
  - support London’s high streets and town centres
  - create valuable social infrastructure
  - provide benefits for all Londoners (particularly those from disadvantaged and underrepresented communities).

These aspirations are also currently unfunded, although the GLA will continue to seek external (including central government) funding for its regeneration programmes. However, ongoing capital investment in housing, transport and skills will also be critical to growth and productivity in London. The programme budget for supporting community, cultural and sporting events in London assumes capital funding for the Fourth Plinth programme will continue.

**Table 29 – Capital spending plans 2031 to 2045**

<b>Capital spending plans 2031 to 2045</b>	<b>2025-26 Budget £m</b>	<b>2026-27 Budget £m</b>	<b>2027-28 Budget £m</b>
Building more homes	26,350.0	21,670.0	20,500.0
Reducing non-residential emissions	178.0	178.0	178.0
Supporting Londoners to benefit from growth	140.0	150.0	160.0
Helping local economies to thrive	52.0	52.0	52.0
Supporting community, cultural and supporting events in London	0.4	0.4	0.4
Core	100.8	28.8	13.1
<b>Expenditure total</b>	<b>26,821.2</b>	<b>22,079.2</b>	<b>20,903.5</b>

6.51. For the programme to build more homes, previous modelling showed that around £4 billion of investment in affordable housing would be required annually, to deliver 32,500 new affordable homes each year (£20 billion for each five-year period). It is hoped that levels of required subsidy – currently at a historic high – fall to lower levels over the medium to long term. Nonetheless, much higher levels of funding will likely be needed before the GLA can fully to support levels of new affordable housing that are sufficient to meet London’s needs.

6.52. The Mayor’s ambition to improve London’s environment includes 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
  - continue to reduce residual emissions beyond 2030.
- 6.53. This may include aspirations for ongoing investment in, for example:
- sustainable drainage and water reuse
  - habitat restoration and rewilding
  - climate-resilient infrastructure
  - waste reduction
  - air quality (which also has significant health benefits)
  - buildings insulation and retrofit.
- 6.54. 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.
- 6.55. Spending under the programme for supporting Londoners to benefit from growth facilitates 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, including across the construction and FE sectors.
- 6.56. Future capital funding is included as part of the devolution ask of the government, to support improving the ageing estate of the FE sector. This would make the sector habitable for learning; and, importantly, help decarbonise the FE estates. This improvement is estimated to need around £300 million, based on a recent feasibility study. The skills budget includes the expectation of continued government investment in Skills for Londoners.
- 6.57. The core budget includes:
- the remaining costs of the LLDC capital investment, that are funded from GLA resources
  - Queen Elizabeth Olympic Park costs
  - the ongoing cost of refurbishing the CPNSC.
- 6.58. It also contains expected requirements for the investment in Trafalgar and Parliament Squares, and GLA IT provision.

## EQUALITIES IMPLICATIONS

- 7.1. Under section 149 of the Equality Act 2010 (the Equality Act), as a public authority, the GLA must comply with the Public Sector Equality Duty (PSED) when exercising GLA functions. The PSED is a duty to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation and any conduct that is prohibited by or under the Equality Act 2010; and advance equality of opportunity, and foster good relations, between people who share a protected characteristic and those who do not.
- 7.2. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race (ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, sexual orientation, and marriage or civil partnership status (the duty in respect of this last characteristic is to eliminate unlawful discrimination only).. Consideration of the PSED is not a one-off task. The duty must be fulfilled before taking a decision, and after the decision has been taken, to ensure that equalities impacts are kept under ongoing review.
- 7.3. In line with best practice, and the Mayor's Equalities Objectives (which were refreshed in 2022, the impact on groups who face the risk of social exclusion (for example, people on low incomes or from particular communities facing structural inequality) is also considered. Evidence highlights how socioeconomic inequality impacts on Londoners' wellbeing and hinders some people and communities from participating equitably in London's society. The decisions outlined in this budget have been taken in accordance with these principles of equality, diversity and inclusion.
- 7.4. Accordingly, this budget allocates resources to ensure the GLA can work effectively with partners to reduce inequalities in London. Choices are underpinned by analysis of the evidence of long-standing structural inequalities that impact Londoners, including health inequality, the uneven impact of the climate crisis, the legacy of the COVID-19 pandemic and the ongoing impact of the cost-of-living crisis on communities and groups with protected characteristics across London. These activities include:
- continuing to recognise work on equality, diversity and inclusion as a critical cross-cutting foundation for all GLA work
  - allocating resources to support deeper engagement with London's communities to shape GLA work, with an emphasis on communities and groups facing the greatest challenges and inequalities
  - ensuring that the GLA Group Public Health Unit supports work across the GLA to tackle health inequalities, and keep people safe from threats to health and their determinants (most notably the cost-of-living crisis).
- 7.5. Our focus is to provide a long-term ambition for how the GLA will tackle the inequalities facing Londoners to make London a place where everyone is equally respected, valued, and empowered to thrive. Accordingly, the 14 strategic, high-level, GLA-led programmes set out in this budget reflect the priorities of the Mayor and 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. The information below summarises how each programme supports cross-cutting work to tackle structural inequalities through specific areas of focus.
- 7.6. **Building more homes.** This programme is about:
- overcoming barriers to housing delivery across all tenures
  - delivering 40,000 new council homes by 2028, and 6,000 'rent control' homes for key workers by 2030
  - establishing a new City Hall developer.

New housing supply is fundamental to the prevention of all forms of homelessness. This programme will better meet the need for social and other forms of affordable housing for all Londoners, with

specific interventions to support older Londoners; people with disabilities; and LGBTQI+ Londoners, amongst others.

7.7. **Making best use of land.** This programme ensures land and new development tackles London's housing crisis; and supports economic growth. It will deliver affordable homes needed by Londoners; and new neighbourhoods and public spaces that are accessible and welcoming to all, thus addressing inequality. It tackles underrepresentation of women and minorities in the built environment sector; and the impact that this has on the sector's capabilities to bolster delivery.

7.8. **Improving London's housing stock.** This programme ensures Londoners' homes are safe, decent and green. The programme will contribute to the Mayor's commitments on:

- the remediation of unsafe cladding in London
- improving energy efficiency and reducing energy bills through retrofit
- improved licensing and enforcement of the private rented sector, and strengthening renters' rights.

London's disadvantaged and marginalised communities suffer disproportionately from poor-quality housing, including Black and minority ethnic Londoners, and older Londoners. The programme delivers well-targeted action to improve London's homes, directly addressing these inequalities.

7.9. **Reducing inequalities.** This programme supports the Mayor's ambition to make London a place where everyone is equally respected, valued and empowered to thrive. The programme strengthens equalities practice across the GLA ensuring that those with protected characteristics are better able to shape the development and delivery of the GLA's work. It supports the Mayor's commitment to tackling health inequities through a health in all our policies approach; and ensures that the needs and perspectives of Londoners with protected characteristics shape the breadth of GLA work.

7.10. **Accommodation and wider support for those who need it most.** This programme supports Londoners who face barriers to accessing safe and appropriate accommodation and who face social exclusion and multiple risk factors – including people sleeping rough, survivors of domestic abuse with accommodation needs and vulnerable migrants, including refugees and people seeking asylum. The programme will improve equitable outcomes for those experiencing the most acute accommodation needs in London, addressing intersectionality and multiple vulnerabilities amongst those with housing need.

7.11. **Reducing non-residential emissions.** This programme contributes towards making London a net-zero city focusing on decarbonising commercial and public sector buildings across London, low-carbon energy, financing of the transition to net-zero, reducing our emissions from waste and leading by example, connecting Londoners with our net-zero ambition. It ensures interventions are targeted at those who need them most, such as Londoners on low incomes.

7.12. **Delivering a greener, more climate-resilient London.** This programme will increase Londoners' access to nature and adapt our city to climate change, ensuring these benefits are felt equitably and meeting the Mayor's commitments on clean and healthy waterways and the establishment of a new Green Roots Fund. It will tackle the disproportionate impacts of climate change on disadvantaged, and underrepresented groups, such as young Londoners, and ensure green and blue places are accessible to all Londoners.

7.13. **Cleaning London's air.** This programme is about London having the best air quality of any major world city to protect human health and minimise inequalities. The programme will effectively target policies to support London's most disadvantaged communities who are disproportionately affected by poor air quality, including older Londoners, Black and minority ethnic Londoners, and Londoners on lower incomes.

7.14. **Supporting Londoners to benefit from growth.** This programme will realise the vision of London's Integrated Talent Strategy. This puts employers in the driving seat of London's skills and employment

system, to unlock inclusive growth; and ensure everyone accesses fair pay, progression and the services they need to help them stay in good work. The programme promotes fairer, more inclusive recruitment practices and working conditions, supporting the most vulnerable and those who are underrepresented in London's labour market. In this way it brings benefits to older Londoners; women; Black, Asian and minority ethnic Londoners; and young people.

- 7.15. **Supporting and inspiring young London.** This programme will bridge the gap between opportunity and offer; and enhance young Londoners ability to access these opportunities. This includes meeting the Mayor's commitment to provide 250,000 positive opportunities for young Londoners during this Mayoral term. Young Londoners from lower socio-economic backgrounds and minority ethnicities (recognising the intersectionality existing between the two) are more likely to be unemployed, to not be able to access skills and find the job market more challenging. The programme of work targets and prioritises these young Londoners to ensure that there can be a reduction in the equality gap between some young Londoners and others.
- 7.16. **Boosting London's growth sectors.** This programme will secure stable, long-term economic growth that works for all communities, helping to create more than 150,000 good jobs by 2028. Diverse-led businesses face particular challenges in accessing finance and support. Female, LGBTQI+, disabled, Black, Asian and minority ethnic founders and business leaders tend to be underrepresented in many of the key growth sectors that this programme is focused upon. It will therefore target support to these groups, so it reaches business owners from disadvantaged and under-represented backgrounds.
- 7.17. **Helping local economies to thrive.** This programme will ensure that Londoners, entrepreneurs, local communities and cultural groups, and small businesses have opportunities to access, and have a positive experience of, the economy in their local area. Support for small and medium-sized enterprises will target business owners from disadvantaged and underrepresented backgrounds, who face additional barriers to economic opportunity. Capital projects will be developed in collaboration with local communities, so they are accessible and welcoming to all Londoners, fostering community cohesion.
- 7.18. **Upgrading London's infrastructure.** This programme will ensure that London has the energy, water, data infrastructure and digital connectivity in place to achieve the Mayor's ambitious net-zero, climate resilience, housing delivery, and economic growth goals. Through the programme the GLA provides a leadership role so that the development of planning projects is undertaken collaboratively with underserved communities. This will secure investment in infrastructure and new services that reflect local community needs and ensure equal access for all.
- 7.19. **Supporting community, cultural and sporting events in London.** This programme will ensure that community, cultural and sporting events across our city create a London for everyone and reflect and celebrate the diversity of the city. It will ensure that Londoners from all walks of life feel heard and see themselves reflected in the public realm and national and international events. The programme will ensure London's diverse communities have the knowledge, networks and volunteering opportunities they need to thrive.
- 7.20. Officers will continue to assess how the budget proposals are expected to impact the groups mentioned at paragraphs 7.1 and 7.2, as these proposals are further developed and refined. Equalities impact assessments (EqIAs) of individual programmes will be carried out as appropriate, building on the evidence base around the equalities impact for Londoners. These EqIAs will be kept under ongoing monitoring and review, to be updated as work develops.

### **Staffing impact assessment**

- 7.21. In the draft GLA Group Budget, the Mayor committed to a GLA: Mayor savings programme of £15.5 million in 2026-27. This has now been allocated across the GLA: Mayor budget. The savings are primarily in relation to staffing costs, with £5.3 million of savings relating to core and programme spending, details of which are set out in Appendix C.

- 7.22. An initial EqlA has been completed for this process, informed by current GLA workforce data. Conducting the EqlA at this stage has allowed the organisation to make an early assessment about how to support any groups of staff who risk being disproportionately affected, both during the consultation process and beyond.
- 7.23. The initial EqlA assessment has found that the group of staff now at risk is broadly representative of the entire workforce, thus suggesting that there is currently not a significantly disproportionate impact for most groups with protected characteristics. However, two groups are identified as potentially being disproportionately affected by these proposed changes; women; and staff aged 40-49 and 50-59. While this currently implicates a relatively small number of staff, this issue will continue to be monitored and mitigated against through the next stages of this process.
- 7.24. The EqlA sets out the mitigations that the organisation will put in place to support staff in these groups. This will guide the GLA's approach in later stages to ensure disproportionate impacts can be managed wherever possible. The EqlA also sets out where others may be impacted in different ways by this process – including those on maternity leave, and staff with caring responsibilities.

### **Programme and core impact assessment**

- 7.25. In addition, this budget sets out details savings related to core and programme spending, details of which are set out in Appendix C. EqlAs have been carried out; whilst the overall anticipated impact of these budget changes is minimal, the following should be noted:
- Delivering a greener, more climate resilient London: the proposal includes a reduction to a small set of uncommitted climate adaptation activities, such as a heat retrofit pilot, Integrated Water Management Strategies, and Flood Ready London actions. The core programme budget remains protected, including £8.5 million for the Mayor's Green Roots Fund and other strategic projects. While disadvantaged and marginalised groups are generally more exposed to heat, flood risk, and poorer quality green space, the potential negative impact of slower progress is expected to be minor. This is because continued investment in green and blue infrastructure, together with a programme that prioritises areas with the greatest need, helps ensure resilience benefits still reach the communities most at risk.
  - Cleaning London's air: Every school in London sits in an area exceeding World Health Organisation air quality guidelines, putting children at heightened risk, with older people and those with health conditions also more vulnerable. Ethnic Minority and more deprived communities face higher exposure, reflecting longstanding inequalities. While proposed budget reductions will not affect statutory air quality duties, they will limit the scale and pace of discretionary work such as community awareness and empowerment initiatives. This would be mitigated by delivering the highest impact actions, working with external campaigns, and embedding air quality measures across wider GLA programmes.
  - Supporting community, cultural and sporting events in London: Proposals include ending the GLA's direct delivery of volunteering opportunities, with current work continuing until September 2026 to ensure smooth completion of existing priorities. To maintain support for Londoners who benefit most from volunteering, the GLA will carry out scoping work to identify a future delivery partner. Outsourced providers will be required to uphold existing standards of practice and ensure equitable access, with a continued focus on minimising barriers for groups with protected characteristics. While changes to communication channels and delivery partners could reduce the reach of volunteering opportunities, the GLA will mitigate this by ensuring future partners can amplify opportunities through Mayoral channels and continue to target a wide and diverse range of Londoners.
  - Upgrading London's infrastructure: The programme continues to support essential enabling infrastructure for net zero, housing and growth. The proposed savings come mainly from mature energy planning workstreams and digital connectivity activity, including reduced funding for

subregional digital champion roles, and are relatively small within the wider programme. Groups already disproportionately affected by infrastructure gaps – older Londoners, disabled people, low income households and minority ethnic communities – will continue to benefit from improvements in energy planning, digital connectivity, and reduced disruption. Enhanced heat network planning and energy interventions support those in fuel poverty and poorly insulated homes, while digital connectivity improvements strengthen access to employment, public services and information for digitally excluded groups. Although the digital saving may limit the scale of local interventions, and the reduction in energy planning work is expected to have only a limited equality impact due to the maturity of the work, mitigations include working with partners to prioritise essential digital champion functions and to strengthen borough–operator collaboration. Overall, the programme is expected to maintain positive equality impacts, supporting digital inclusion, meeting housing and energy efficiency needs, and helping to reduce climate and pollution related inequalities.

- Core: a total of £1.95 million of non-staff savings is proposed, the largest of which relates to a reduction in shared-services costs. The impact of this has been reviewed with TfL, as part of the shared services agreements, and mitigations will include a more formalised approach to commissioning support (particularly legal and procurement) across the organisation to focus on the highest priority requirements for the GLA.

7.26. The impact of these spending reductions will be monitored and EqlAs will be conducted for any changes that require further consultation.

### **Summary**

7.27. Officers will continue to assess how the budget proposals are expected to impact the groups mentioned at paragraphs 7.1 and 7.2, as these proposals are further developed and refined. EqlAs of individual programmes will be carried out as appropriate, building on the evidence base around the equalities impact for Londoners. Officers will continue to monitor the effects of all budget changes throughout the year. This ongoing monitoring will ensure that any potential negative impacts on groups with protected characteristics are identified early and mitigated effectively, and that our programmes continue to advance equality and reduce disproportionate harm.

7.28. The GLA will continue to strive to meet its commitment to ensuring that the GLA’s workforce, including the senior staff, is representative of London’s working-age population.

## 8. Appendices

### A – Reserves 2025-26 to 2028-29

1. A detailed review of the GLA: Mayor reserves has been undertaken as part of the 2026-27 budget cycle and a number of changes have been made. These include:
  - an increase in the general fund balance from £10 million to £10.6 million. This represents 3 per cent of the GLA net expenditure budget – which, in turn, represents the combination of risk (including other risk reserves already set aside) and CIPFA guidance
  - proposed creation of new reserves:
    - a review of contractual risks has been undertaken; a specific Contractual Risk reserve has been set up to provide financial resilience for medium-term potential risks and contractual commitments
    - an Organisational Transformation reserve has been set up to support the organisation to deliver the change set out in this the 2026-27 budget, including the previous Development and Redundancy reserves
    - a new Stadium reserve has been set up to manage contingencies and risks arising from the operation of London Stadium.
    - a new Integrated Settlement reserve is proposed. This reserve will hold any carry-forwards (i.e. unspent funding) for future years and will be ringfenced; only Integrated Settlement-related funding will be included in this reserve. This will help the GLA benefit from the flexibilities allowed under this settlement and enable the use of funding (and flexibilities) to be clearly tracked
  - an assessment of the commitments against existing reserves enabling resources to transfer to reflect the refreshed Reserves Strategy
  - simplification and transparency – setting out the reserves by themes provides clarity of purpose and enables a broader overview of the reserves position. This includes streamlining the Estates and Dilapidations reserves into a newly created Asset Management reserve.
2. This policy is based on the latest CIPFA guidance (CIPFA, [Bulletin 13 – Local Authority Reserves and Balances](#), updated 28 March 2023) and section 127 of the GLA Act.
3. Where existing reserves were assessed as fully meeting their commitments, this has enabled balances to be transferred to align with the reserves policy. As a result of this review, a number of transfers between reserve headings have been made, as set out in this appendix. The key amendments relate to a reassessment of the GFF and the Revenue Grants Unapplied reserve, with balances transferred into the Financial Resilience reserves.
4. From 2026-27, a specific reserve will need to be set up for any funds related to the Integrated Settlement grants. This will not be set up until 31 March 2027.
5. The CFO has carried out a review of the potential risks to assess whether existing reserves are at prudent and adequate levels to manage these risks in the medium term.
6. The CFO has concluded that, for the 2026-27 budget year (and the budget plan for future years), reserves are at an adequate level. This has included a review of potential risks, including potential contractual obligations (and the creation of a new Contractual Risk reserve) and potential spending risks (including the risk of debt default across the GLA Group and the delivery of the savings proposals, and associated costs, set out within the 2026-27 budget). This risk assessment will be carried out each year as part of the budget-setting process.

## Reserves & Balances Policy

### Executive summary

7. The organisation is prudentially and sustainably financially managed to support the delivery of the Mayor's priorities to build a fairer, safer, greener and more prosperous city. As part of this approach, reserves are maintained at a considered and proportionate level to manage risk, support financial robustness and stability, and therefore confidently enable targeted investment.
  8. Reserves are held for the following defined purposes:
    - **risk and financial resilience reserves** are maintained at a level sufficient to cover known and forecast risks. These are reviewed annually, to ensure the organisation remains resilient while avoiding undue or excessive prudence
    - **restricted use and ring-fenced reserves** are reserves where funding is held for a restricted purpose, and is not available for GLA: Mayor budget general purposes (for example, specific grants)
    - **smoothing reserves** are used to manage cyclical and uneven cost pressures, supporting long-term financial sustainability by avoiding sharp expenditure shocks or unsustainable pressures within any single financial year
    - **Mayoral priorities earmarked reserves** are held to support the delivery of specific Mayoral priorities in a controlled and transparent manner, where one-off or time-limited funding is required and ongoing commitments are avoided
    - **organisational transformation reserves** are used to fund transformational change and investment on a non-recurrent basis, delivering long-term efficiency, capability and service improvements
    - **asset reserves** – these cover the Estates and Dilapidation reserves. The organisation will need to carry out a full asset review to inform future commitments and drawdowns from this reserve.
  9. Any use of reserves should be approved the GLA's formal decision-making processes, which incorporate the approval of the CFO. The planned use of reserves is agreed through the annual budget-setting process, as approved by the Mayor. Clear audit trails and ongoing assurance are provided through quarterly budget monitoring. The GLA finance regulations set out the operational rules in relation to reserves.
  10. Reserves are recognised as a one-off. All endeavours will be made to balance budgets through reductions in expenditure or securing recurring income, rather than use of reserves, except as necessary to implement appropriate transitional arrangements. The CFO is responsible for advising the Mayor and the Assembly on prudent levels of reserves for the GLA.
  11. This report provides a summary of the purpose of the reserves together with supporting appendices providing detail.
- ### **Risk and financial resilience reserves**
12. This group of reserves is intended to ensure that the Mayor's Budget remains financially resilient over the medium term. The reserves are designed to address future financial risks and to reflect both the likelihood and potential impact of those risks materialising. These reserves include legal and contractual risk reserve, interest income smoothing reserve and the general risk reserve.
  13. In setting these reserves, the GLA seeks to balance the need for financial prudence with proportionality, recognising that excessive levels of reserves can restrict the ability to deploy resources in support of London's priorities.

14. These reserves include provision for contractual and legal risks, where the GLA may face future contractual obligations with varying degrees of probability and uncertainty. In addition, this considers the inherent level of risk in relation to the debt portfolio of the GLA. This also includes an allocation for risks relating to London Stadium, including the impact should West Ham United be relegated from the Premier League, and other commercial risks.
15. They also recognise the income and investment risks inherent in the GLA's financial model. The GLA budget relies on approximately £80 million of interest income each year, and this reserve reflects the risk that income levels may reduce over time due to changes in market conditions. It also provides cover for fluctuations in the valuation of the GLA's investment portfolio.
16. In addition, the General Balance reserve is maintained at 3 per cent of net revenue expenditure, in line with CIPFA guidance on the minimum level of general reserves recommended for public sector bodies, to provide a baseline level of financial resilience against unforeseen events.

### **Restricted use and ring-fenced reserves**

17. These reserves cannot be applied to the generic GLA: Mayor budget. The use is restricted by grant terms or specific ring-fencing.
18. This includes the Royal Dock Enterprise Zone and Right to Buy receipts; albeit, both these reserves support wider Mayoral Priorities. There is also a reserve required as part of arrangements with London and Partners, ring-fenced for potential costs arising from their staff restructures.

### **Smoothing and cyclical reserves**

19. These are reserves which are prudently available cover cyclical spend such as elections and the Local Plan. The smoothing reserves to cover swings in income levels for planning.
20. Smoothing out the impact of these costs over time supports good financial planning and avoids significant increases in costs in any single year.

### **Mayoral priorities earmarked reserves**

21. These earmarked reserves are specific reserves set aside to deliver the Mayoral priorities set out in the strategic programme delivery plans. The allocation of these reserves to Mayoral priorities are clearly and transparently set out in our annual budget process.
22. These include, for example, major events and climate change reserves. A full list is set out in below.
23. These reserves are for specific projects – to cover specified activities that will usually be time-limited, rather than ongoing core expenditure – and therefore an appropriate use of reserves.
24. This group of reserves also includes unspent grants that are carried forward to deliver Mayoral priorities that are subject to reprofiling where funding receipt and delivery timings differ, such as the Universal Free School Meals programme.

### **Transformation and reorganisation reserves**

25. These are one-off investments required to support the transformation of the organisation. They include:
  - funding for future organisational improvement and transformation activity
  - costs associated with organisational restructures, including potential redundancy costs, where required to implement structural changes for the GLA.
26. This reserve is established, as set out in the GLA: Mayor's Budget, to provide financial cover for the impacts of staff consultation outcomes that may not be fully implemented from 1 April. It ensures that

any transitional staffing or structural costs arising from consultation can be managed without placing additional pressure on in-year budgets.

## Asset management

27. This reserve supports the management of GLA: Mayor buildings and public spaces that the GLA is responsible for – for example, Trafalgar and Parliament Squares; dilapidations for City Hall; and the CPNSC. A review of cyclical asset management costs will be commissioned.

## Other

28. This includes:
- The collaboration reserve: holds the balances of the £8 million budget that is annually allocated to the delivering the benefits of collaborating across the GLA family, overseen by the Group Collaboration Board.
  - Assembly development and resettlement reserve: holds funding for potential future costs and resettlement grants for the Assembly Secretariat directorate, including as required by legislation.

## Reserves Balances, 2026-27 – 2028-29

29. The table below shows forecast reserve movements as at quarter three 2025-26, and planned use of reserves for the subsequent financial years.

GLA Reserves	As at 31 March 2025	Forecast budget movement	As at 31 March 2026	Forecast budget movement	As at 31 March 2027	Forecast budget movement	As at 31 March 2028	Forecast budget movement	As at 31 March 2029
	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>Risk and financial resilience reserves</b>									
General Fund Balance	10.0	0.6	10.6	(0.4)	10.2	0.1	10.3	0.0	10.3
Contractual Risk Reserve	0.0	72.8	72.8	0.0	72.8	0.0	72.8	0.0	72.8
Interest smoothing	78.0	0.0	78.0	0.0	78.0	0.0	78.0	0.0	78.0
Stadium Reserve	0.0	4.4	4.4	(1.5)	2.9	0.0	2.9	0.0	2.9
<b>Total risk and financial resilience reserves</b>	<b>88.0</b>	<b>77.8</b>	<b>165.8</b>	<b>(1.9)</b>	<b>163.9</b>	<b>0.1</b>	<b>163.9</b>	<b>0.0</b>	<b>163.9</b>
<b>Restricted use &amp; ringfenced reserves</b>									
Capital Programme	77.1	11.6	88.7	(25.5)	63.2	(4.3)	58.9	(3.4)	55.5
Directorate Reprofitting	20.4	(19.6)	0.8	(0.0)	0.8	0.0	0.8	0.0	0.8
Environment Drainage	0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.1
London Green Fund Reserve	0.4	0.0	0.4	0.0	0.4	0.0	0.4	0.0	0.4
London & Partners	2.2	0.0	2.2	0.0	2.2	0.0	2.2	0.0	2.2
MHCLG land fund	6.5	(1.3)	5.2	(0.3)	4.8	(0.3)	4.5	(0.3)	4.1
RCGF interest	4.8	4.3	9.2	(2.5)	6.6	(2.2)	4.4	(2.2)	2.1
Right to buy	19.0	(8.9)	10.2	(2.5)	7.6	(2.2)	5.4	(2.2)	3.1
The Royal Docks Enterprise Zone	0.9	0.4	1.3	0.1	1.4	0.2	1.6	0.4	2.0
Integrated Settlement Reserve		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total restricted use reserves</b>	<b>131.5</b>	<b>(13.5)</b>	<b>118.1</b>	<b>(30.8)</b>	<b>87.2</b>	<b>(9.0)</b>	<b>78.3</b>	<b>(7.8)</b>	<b>70.5</b>
<b>Smoothing and cyclical reserves</b>									
Election	0.0	21.3	21.3	9.2	30.5	9.2	39.7	(30.7)	9.1
Planning Smoothing	0.5	0.0	0.5	0.0	0.5	0.0	0.5	0.0	0.5
Pre-Application Planning	1.3	0.0	1.3	0.0	1.3	0.0	1.3	0.0	1.3
<b>Total smoothing and cyclical reserves</b>	<b>1.8</b>	<b>21.3</b>	<b>23.1</b>	<b>9.2</b>	<b>32.3</b>	<b>9.2</b>	<b>41.6</b>	<b>(30.7)</b>	<b>10.9</b>
<b>Mayoral priority earmarked reserves</b>									
Climate Change reserve	80.7	(6.7)	73.9	(1.7)	72.2	(1.7)	70.5	(1.1)	69.4
Major Events	6.5	19.4	25.9	18.1	43.9	(5.7)	38.2	(8.9)	29.4
New Deal for Young People	11.9	(6.8)	5.1	(0.5)	4.6	0.0	4.6	0.0	4.6
Rev Grants Unapplied Reserves	156.5	(134.7)	21.8	(7.7)	14.2	(3.7)	10.4	(2.0)	8.4
Sport Unites	2.2	(1.0)	1.2	(1.0)	0.2	(0.2)	0.0	0.0	0.0
Universal free school meals	34.7	6.2	40.9	(14.6)	26.3	(3.4)	22.9	0.1	23.0
<b>Total Mayoral priority earmarked reserves</b>	<b>292.5</b>	<b>(123.7)</b>	<b>168.8</b>	<b>(7.4)</b>	<b>161.4</b>	<b>(14.8)</b>	<b>146.6</b>	<b>(11.8)</b>	<b>134.8</b>
<b>Reserves to support organisational change and transformation</b>									
Organisational Transformation	3.4	10.5	13.9	0.0	13.9	0.0	13.9	0.0	13.9
<b>Total organisational change and transformation reserves</b>	<b>3.4</b>	<b>10.5</b>	<b>13.9</b>	<b>0.0</b>	<b>13.9</b>	<b>0.0</b>	<b>13.9</b>	<b>0.0</b>	<b>13.9</b>
<b>Reserves to support on-going asset management</b>									
Asset management	7.3	(0.4)	6.9	0.0	6.9	0.0	6.9	0.0	6.9
<b>Total asset management reserves</b>	<b>7.3</b>	<b>(0.4)</b>	<b>6.9</b>	<b>0.0</b>	<b>6.9</b>	<b>0.0</b>	<b>6.9</b>	<b>0.0</b>	<b>6.9</b>
<b>Other Reserves</b>									
Group Collaboration	5.5	(5.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assembly Development and Resettlement Reserve	2.6	(0.4)	2.2	(0.4)	1.8	(0.1)	1.7	0.0	1.7
<b>Total GLA Reserves</b>	<b>532.8</b>	<b>(34.1)</b>	<b>498.7</b>	<b>(31.3)</b>	<b>467.4</b>	<b>(14.5)</b>	<b>452.9</b>	<b>(50.3)</b>	<b>402.6</b>

30. The purpose of each reserve is detailed below (in alphabetical order):

- The **Assembly development and resettlement reserve** exists to ensure adequate funding is built up for future costs and resettlement grants for the Assembly Secretariat directorate.
- The **asset management reserve** (newly created) brings together the previously held **estates** and **dilapidations** reserves. These relate to potential costs across the buildings and public spaces that the GLA is responsible for, including: funding exceptional repairs and maintenance works across the GLA Estate; works undertaken at Parliament and Trafalgar Squares; and the development of land and property schemes. In addition, this reserve exists to fund repairs required at the end of the GLA tenancy lease at the current City Hall.
- The **capital programme reserve** provides a source of funding for those capital projects falling outside the programmes in housing and regeneration which are directly funded by government grant. This reserve holds ringfenced funding for specific capital projects and, where required, additional revenue contributions or reserve transfers to cover other corporate GLA capital projects.
- The **climate change reserve** provides a source of funding for high-impact green investment opportunities for the public and private sectors; and support for the GLA GFF, financing direct decarbonisation investment by the GLA Group and its strategic partners.
- The **contractual risk reserve** (newly created) reflects potential future legal and contractual risks related to major projects.
- The **directorate reprofiling reserve** (or programme reserve) represents underspends on directorate and budgets carried forward to fund projects that were delayed and are due to start or be completed within the next financial year.
- The **election reserve** exists to fund the Mayor and Assembly elections when they fall (they are due every four years). The budget includes a yearly contribution to spread the cost of the elections.
- The **general balance reserve** is the minimum level of reserves set aside for unknown risks to ensure overall financial resilience.
- The **Group collaboration reserve** sets aside funding for the collaborative projects of the GLA and its functional bodies, in areas such as implementation of shared services, and talent retention and development across the GLA Group.
- The **Integrated Settlement reserve** (newly created) will be set up to receive any carry forwards that relate to Integrated Settlement grants (and are ringfenced for that purpose).
- The **interest smoothing reserve** has been created to manage fluctuations in interest receipts that could result from a range of risks, including a potential reduction in the GLA's cash balance and interest rate changes.
- The **London Green Fund reserve** (ring-fenced) exists to fund schemes that cut London's carbon emission.
- The **London & Partners reserve** has been created to ensure that adequate funding is built up for any future reviews of the organisation.
- The **Major Events reserve** represents sums set aside for the delivery of future large-scale events in London.
- The **MHCLG Land Fund reserve** has been created to hold the fund for future revenue works required where it does not meet the conditions of the capital grant receipts from MHCLG approved under MD2396.

- The **New Deal for Young People reserve** (also known as the Young Londoners' Fund reserve) exists to hold future years' expenditure from the Mayor's £45 million Young Londoners' Fund, supporting a range of education, sport, cultural and other activities for young Londoners.
- The **Organisational transformation reserve** (newly created) is set up to fund organisational change and business improvement projects. It includes the balances previously held under the development reserve and the redundancy reserve.
- The **planning smoothing reserve** has been created to smooth the funding of the Examination in Public of the London Plan and other planning functions.
- The **pre-application planning reserve** carries forward surplus pre-application planning income to fund the running costs of the pre-application planning service in future years.
- The **Recycled Capital Grant Fund (RCGF) interest reserve** holds interest received on unutilised capital grants that have been returned for redistribution.
- The **Right to Buy (RTB) revenue grant reserve** holds grants received for expenditure towards the Mayor's Homes for Londoners: AHP.

It should be noted that the RCGF and RTB reserves are deemed to be restricted and are used in the same way. When grants are given out to housing associations (RCGF) or local authorities (Right to Buy), the terms of these grants require recipients to compensate the GLA for any interest income that they obtained while holding the grant, once the grant is repaid to the GLA. This funding is deemed to be restricted – i.e., they can only be used to cover revenue costs around housing-related expenditure, to support the management of these grant programmes.

- The **revenue grants unapplied reserve** contains grants and contributions received that have no repayment conditions attached. Where expenditure has not yet been incurred, this income is rolled forward; it will be released when expenditure is incurred on the relevant project or initiative. It should be noted that the reserve also includes any receipts in advance, and so can be distorted at year-end. These receipts are then applied to budgets in the following year. This reserve will also receive the overall surplus or deficit for the GLA at year end. This reserve allows the GLA to responding to unexpected circumstances in London that were not anticipated at the time of setting the budget and where it would not be appropriate to wait until the next budget before committing expenditure.
- The **Royal Docks Enterprise Zone reserve** manages the funding flows of the Royal Docks Programme – a joint initiative from the Mayor and the London Borough of Newham to develop the Royal Docks area in the east of London. The project will create jobs and new homes; and promote the cultural and economic development of the Docks at local, regional and international levels over the coming years.
- The **Sport Unites reserve** exists to hold future years' expenditure on the Mayor's Sport Unites project.
- The **Stadium reserve** (newly created) is set up to manage potential cost increases, risks or other developments at London Stadium.
- The **Universal Free School Meals reserve** will help fund the future provision of free school meals to primary school children in London. This reserve exists to factor-in timing differences on the funding of this programme, as funding is given out for a financial year (April to March) but spent across an academic year (September to August).

## B – Strategic investments, budget realignments and unavoidable cost pressures 2026-27 to 2028-29

### Delivery portfolio

Description	2026-27 £m	2027-28 £m	2028-29 £m	Delivery plan/ directorate
Supporting Young Londoners*	50.00	5.10	5.20	Supporting and inspiring young London/Communities & Skills
AI Innovation Fund*	20.00	4.08	4.16	Supporting Londoners to benefit from growth/Good Growth
Major events fund*#	20.00			Supporting community, cultural and sporting events in London/Strategy & Communications
With the ceasing of UKSPF, a cost pressure has been created to continue to invest in delivering growth in London. This is a reduction on the current funding levels – the impact on the programme is under development over the coming months, working closely with partners.	10.00	10.00	10.00	Boosting London’s growth sectors/Good Growth
Increasing visitors and investment*	8.30	0.82	0.83	Boosting London’s growth sectors/Good Growth
Tackling rough sleeping*	8.00	0.51	0.52	Accommodation and wider support/Housing & Land
Supporting high streets and the hospitality sector*	5.00			Helping local economies to thrive/Good Growth
Swimmable London*	5.00			Delivering a greener, more climate-resilient London/Good Growth
Helping tenants (damp and mould sensors)*	3.00			Improving London’s housing stock/Housing & Land
Tackling financial hardship*	2.00	2.04	2.08	Supporting Londoners to benefit from growth/Good Growth
Cost of setting up and running the Strategic Licensing function; implementing the pilot scheme to increase Mayoral powers. Prudently, an estimate has been included in 2028-29 should this been made permanent following this pilot (MD3422).	1.09	0.78	1.23	Helping local economies to thrive/Good Growth
Investment of £1 million in total to support the implementation of the London Nightlife Taskforce recommendations.	0.50	0.50		Helping local economies to thrive/Good Growth
Staff, consultation and legal advice associated with the functional statutory role of producing the London Plan. Note, given this is cyclical in nature, a reserve will be drawn down to fund this.	0.70	0.70		Making best use of land/Good Growth

Additional costs of setting up and running the Strategic Licensing function implementing the pilot scheme to increase Mayoral powers. This includes consultation and service design costs.	1.00	1.00	1.00	Helping local economies to thrive/Good Growth
Confirmation of the GLA's contribution to the Group's responsible procurement programme.	0.49	0.49	0.49	Boosting London's growth sectors/Good Growth
Tourist Levy team costs	1.00	1.00		Boosting London's growth sectors/Good Growth
<b>Total strategic investment – portfolio (overall)</b>	136.08	27.02	25.52	

\* Mayoral strategic investments allocated to the GLA in the final GLA Group budget. Further detail to follow in subsequent Mayoral Decisions.

# Note – this £20 million transfer to reserves is for future spend on major events. There are currently no confirmed plans for its use in 2026-27.

## Core

Description	2026-27 £m	2027-28 £m	2028-29 £m	Delivery plan/ directorates
Realignment of the Planning budget income to reflect existing and forecast actual income levels and additional staff posts.	1.64	1.64	1.64	Good Growth
London Resilience Unit budget realignment – to ensure the unit is resourced to meet existing requirements for training, staff allowances and digital systems.	0.65	0.65	0.65	Strategy and Communications
Additional posts in our retained IT function	0.27	0.27	0.27	CRBI
Additional posts in our Executive Support team	0.25	0.25	0.25	CRBI
Confirmation of the GLA's contribution to the Group's collaborative procurement costs	0.14	0.14	0.14	CRBI
Additional finance capacity to manage additional risks	0.35	0.35	0.35	CFO
Corporate Strategy team	0.45	0.45	0.45	CFO (for now)
<b>Budget realignment – core</b>	<b>3.75</b>	<b>3.75</b>	<b>3.75</b>	
Move from Union Street to Palestra; this includes ongoing increase in lease payments for 1.5 floors (55% increase in space); lost sub-letting rental income; and one-off dual running costs in 2026-27, whilst fit-out of the space occurs, of £2.9 million.	3.98	1.52	1.52	CRBI
Investment in implementation of Success Factors, a new HR system that will modernise ways of working. This includes TfL IT implementation costs, as well as HR transformation team costs.	1.13	1.13	1.13	CRBI
Shared-services pay inflation costs; work is under way to explore if these costs can be mitigated through improved efficiencies.	0.49	0.49	0.49	CRBI
Inflationary pressures on FM costs such as building maintenance and cleaning in Trafalgar Square, broadcasting costs and the Heritage Warden Service.		0.41	0.43	CRBI
Contingency held to support the net operating costs of London Stadium; this prudent approach recognises the complexity and uncertainty of this commercial arrangement.	1.50	1.50	1.50	CFO
Shared-services pay inflation costs. Work is under way to explore if these costs can be mitigated through improved efficiencies. These are held across CRBI and CFO.	0.02	0.02	0.02	CFO
Additional investment in pay award	0.80	0.90	1.00	CFO, held centrally
Increase in pensions contributions – as assessed by the pension fund actuaries in the three-yearly revaluation for 2026-27, 2027-28 and 2028-29.	1.95	2.56	2.56	CFO, held centrally
<b>Unavoidable cost pressures – core</b>	<b>9.87</b>	<b>8.53</b>	<b>8.65</b>	
<b>Total core growth</b>	<b>13.62</b>	<b>12.28</b>	<b>12.40</b>	

## C – Savings, 2026-27 to 2028-29

(Note there may be rounding differences)

Portfolio/unit	Description	2026-27 saving (pay) £m	2026-27 saving (non-pay) £m	2026-27 saving £m	2027-28 saving £m	2028-29 saving £m
Reducing inequalities	Staff restructure changes are proposed across several units within the Community and Skills directorate, following a review to identify more efficient ways of working.	0.96		0.96	0.96	0.96
	Not proceeding with the planned allocation to the Propel project. To date, no projects have been identified as needing a GLA contribution across the large group of potential match funders; therefore, the allocation is no longer required.		1.0	1.0	1.0	1.0
	A reduction of £0.08 million in the Health Inequalities Strategy can be achieved without any material impact on planned outputs.		0.08	0.08	0.08	0.08
	£0.08 million in savings can be achieved by delivering the engagement support for health equalities using existing staff resources, removing the need to commission external support.		0.08	0.08	0.08	0.08
	Savings of £0.05 million have been generated through minor changes to several Culture and Creative Industries projects.		0.05	0.05	0.05	0.05
		<b>0.96</b>	<b>1.21</b>	<b>2.16</b>	<b>2.16</b>	<b>2.16</b>
Reducing non-residential emissions	A saving of £0.16 million will be achieved by ensuring that the costs of the Green Roots programme staff are fully funded from the programme budget.	0.16		0.16	0.16	0.16
	In addition, the Environment and Energy Unit leads the delivery of four strategic programmes	1.13		1.13	1.13	1.13

Portfolio/unit	Description	2026-27 saving (pay) £m	2026-27 saving (non-pay) £m	2026-27 saving £m	2027-28 saving £m	2028-29 saving £m
	(with all unit staffing costs reported against this programme), and several of the strategic priorities within their delivery plans represent a shift from the previous focus of some teams, underpinning the proposed structural changes. In total, £1.13 million in staffing savings is anticipated; this is assigned to the Reducing Non-residential Emissions programme.					
		<b>1.29</b>		<b>1.29</b>	<b>1.29</b>	<b>1.29</b>
Delivering a greener, more climate-resilient London	Efficiencies of £0.15 million have been identified across the GLA's work on climate adaptation and resilience, involving reduced spend on activities related to extreme heat and flooding.		<b>0.15</b>	<b>0.15</b>	<b>0.1</b>	<b>0.15</b>
Cleaning London's air	Total efficiency savings of £0.2 million have been identified, following a review of activity in relation to connectivity, infrastructure and air quality.		<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
Supporting Londoners to benefit from growth	This budget proposes a £0.05 million saving by reducing funding to the London Ownership Hub, as this work is now largely delivered through London & Partners' Grow London Local programme. As a result, the saving is expected to have minimal impact.		0.05	0.05	0.05	0.05
	A restructure of the Skills and Employment Unit is planned for later this year, supporting the drive for more efficient ways of working. Of the assumed associated savings, £0.63 million is attributable to the Supporting Londoners to benefit from growth programme.	0.63		0.63	0.63	0.63
		<b>0.63</b>	<b>0.05</b>	<b>0.68</b>	<b>0.68</b>	<b>0.68</b>

Portfolio/unit	Description	2026-27 saving (pay) £m	2026-27 saving (non-pay) £m	2026-27 saving £m	2027-28 saving £m	2028-29 saving £m
Supporting and inspiring young London	Staff restructure changes are proposed across several units in the Community and Skills directorate following a review to identify more efficient ways of working, of which £1.45 million is attributable to the Supporting and Inspiring Young London programme.	1.45		1.45	1.45	1.45
	In September 2025, the NCB announced that it would take over delivery of the HSL and HEYL programmes, with the intention of restructuring the schemes and improving efficiency. The budget to support both award schemes will continue to be provided to the NCB, but at a reduced level following negotiation, resulting in a saving of £0.1 million.		0.1	0.1	0.1	0.1
	A budget saving of £0.1 million is proposed from the unallocated budget set aside for Sports Partnerships. There were no contractual commitments for this budget and therefore there is no impact on the programme.		0.1	0.1	0.1	0.1
		<b>1.45</b>	<b>0.2</b>	<b>1.64</b>	<b>1.64</b>	<b>1.64</b>
Boosting London's growth sectors	A saving of £0.21 million will be achieved by delivering work to improve leadership diversity in the creative industries as part of the broader diverse workforce programme that is already in place in the Workforce Integration team which is part of the Boosting Londoners to benefit from growth programme.		0.21	0.21	0.21	0.21
	In addition, the £0.24 million allocation for innovation and technology – an area that has historically underspent – will be ceased, with future activity instead focused on accessing the significantly larger government Local Innovation Partnership Fund.		0.24	0.24	0.24	0.24

Portfolio/unit	Description	2026-27 saving (pay) £m	2026-27 saving (non-pay) £m	2026-27 saving £m	2027-28 saving £m	2028-29 saving £m
	In addition, £0.1 million saving has been delivered from the Responsible Procurement shared service as a greater proportion of these costs and benefits are borne by TfL, recognising the current balance of benefits secured.		0.1	0.1	0.1	0.1
	Staff savings are proposed of £0.75 million in the Economic Development and Programmes unit, as a result of our review for efficiencies, including the clarification of responsibilities between the GLA and London & Partners.	0.75		0.75	0.75	0.75
		<b>0.75</b>	<b>0.55</b>	<b>1.3</b>	<b>1.3</b>	<b>1.3</b>
Helping local economies to thrive	Pay-related savings of £0.3 million proposed in the Good Growth coordination staffing budget.	0.3		0.3	0.3	0.3
	Savings of £0.26 million have been generated in this programme through closure of or changes to several CCI24 projects.		0.26	0.26	0.26	0.26
	Savings of £0.2 million have been achieved through a review of our approach to funding Night Life activity over the next three years, including delivery of a Night Life Fund.		0.2	0.2	0.2	0.2
		<b>0.3</b>	<b>0.46</b>	<b>0.77</b>	<b>0.77</b>	<b>0.77</b>
Upgrading London's infrastructure	Total efficiency savings of £0.52 million have been identified following a review of programme activity in relation to connectivity, infrastructure and air quality.		0.52	0.52	0.52	0.52
	Staff savings of £0.3 million are proposed for the Connectivity, Air Quality Transport and Infrastructure unit, to ensure the most efficient use of resources.	0.3		0.3	0.3	0.3
		<b>0.3</b>	<b>0.52</b>	<b>0.82</b>	<b>0.82</b>	<b>0.82</b>
Supporting community,	Staff saving of £0.6 million is proposed for the Culture and Creative Industries staffing, in light	<b>0.6</b>		<b>0.6</b>	<b>0.6</b>	<b>0.6</b>

Portfolio/unit	Description	2026-27 saving (pay) £m	2026-27 saving (non-pay) £m	2026-27 saving £m	2027-28 saving £m	2028-29 saving £m
cultural and sporting events in London	of the overall financial pressures and shift in focus to more strategic work.					
<b>Portfolio total</b>		<b>6.26</b>	<b>3.35</b>	<b>9.61</b>	<b>9.89</b>	<b>8.93</b>
Digital Experience	The Digital Experience Unit has expanded significantly in recent years, to deliver key digital infrastructure improvements and to support changes arising from the move to shared services. With the 14 strategic programmes now agreed, a review of the team has been undertaken to ensure it is focused on the activity required to deliver those programmes, while operating as efficiently as possible. It is proposed this saving is £1.5 million.	1.5		1.5	1.5	1.5
FM	Savings and additional income for City Hall totalling £0.08 million are proposed, including reducing overnight access hours to the building and strengthening controls over the level of fee waivers granted for events held at City Hall.		0.08	0.08	0.08	0.08
CFO	Reduction in the budget for vacant posts and non-staff budget for London Treasury Limited resulting in a reduction in the recharge to the GLA of £0.3 million; there are no staffing implications as a result of this.		0.3	0.3	0.3	0.3
CFO	As part of our broader review of organisational structures, we are also considering changes to the leadership structure, which are expected to deliver savings of £0.66 million. This saving is held in CFO pending the outcome of this review before this is allocated to relevant directorates.	0.66		0.66	0.66	0.66
Shared Services (consolidated view)	It is proposed that savings of £1.2 million across legal, IT shared services, procurement and HR		1.2	1.2	1.2	1.2

<b>Portfolio/unit</b>	<b>Description</b>	<b>2026-27 saving (pay) £m</b>	<b>2026-27 saving (non-pay) £m</b>	<b>2026-27 saving £m</b>	<b>2027-28 saving £m</b>	<b>2028-29 saving £m</b>
	services – this is expected to be delivered through greater controls on requests, reduction in IT tariffs and licence costs.					
CIU, External Relations Unit, and Strategic Partnerships Unit	Staff savings of £0.42 million are proposed in CIU – focussing the work required by our 14 strategic programmes whilst working as efficiently as possible.	0.42		0.42	0.42	0.42
	Further staff savings across the External Relations Units, Public Liaison Unit of £0.49 million in total are proposed.	0.49		0.49	0.49	0.49
	Planned non-pay reduction of £0.27 million through a reduction in externally commissioned reports and research and analytical programmes (£0.19 million), funding for London Office Technology and Innovation (£0.05 million), and a reduction and tighter controls on spending and activity Public Affairs and Strategic Partnerships unit (£0.03 million).		0.27	0.27	0.27	0.27
London Resilience Unit	A reduction in contract expenditure and systems of £0.1 million is proposed in the London Resilience Unit.		0.1	0.1	0.1	0.1
	Pay savings of £0.23 million is proposed in anticipation of a new approach to risk identification and monitoring.	0.23		0.23	0.23	0.23
Statutory Planning	Although we are protecting this unit from savings, there is up to £0.6 million staffing contingency in the budget which we do not believe will be used and propose taking as a saving. This is a staffing budget but will not result in a reduction in FTEs.	0.6		0.6	0.6	0.6
<b>Core total</b>		<b>3.9</b>	<b>1.95</b>	<b>5.85</b>	<b>5.85</b>	<b>5.85</b>

## D – Delivery plans analysis

### Directorate budgets by delivery programme 2026-27

Programmes	Directorate								
	Chief Finance Officer Net £m	Chief Officer Net £m	Communities & Skills Net £m	Corporate Resources Net £m	Good Growth Net £m	Housing & Land Net £m	Mayor's Office Net £m	Strategy & Communications Net £m	Total Net £m
Building more homes	-	-	-	-	-	6.6	-	-	6.6
Making best use of land	-	-	-	-	3.4	0.3	-	-	3.7
Improving London's housing stock	-	-	-	-	3.0	3.3	-	-	6.4
Reducing inequalities	-	-	10.9	-	0.5	-	-	-	11.4
Accommodation and wider support for those who need it most	-	-	0.6	-	-	26.8	-	-	27.4
Reducing non-residential emissions	-	-	-	-	6.2	-	-	-	6.2
Delivering a greener, more climate-resilient London	-	-	-	-	14.8	-	-	-	14.8
Cleaning London's air	-	-	-	-	1.6	-	-	-	1.6
Supporting Londoners to benefit from growth	-	-	6.8	-	22.6	-	-	-	29.4
Supporting and inspiring young London	-	-	172.9	-	0.0	-	-	-	172.9
Boosting London's growth sectors	-	-	-	-	34.6	-	-	1.8	36.4
Helping local economies to thrive	-	-	0.0	-	10.3	-	-	-	10.3
Upgrading London's infrastructure	-	-	-	-	2.7	-	-	-	2.7
Supporting community, cultural and sporting events in London	-	-	0.1	-	11.7	-	-	8.2	20.1
Transport programmes	-	-	-	-	1.2	-	-	-	1.2
Core	18.3	2.3	0.8	39.3	2.8	2.2	6.9	18.5	91.1
Group Collaboration	8.0	-	-	-	-	-	-	-	8.0
<b>Grand Total Directorates</b>	<b>26.3</b>	<b>2.3</b>	<b>192.1</b>	<b>39.3</b>	<b>115.6</b>	<b>39.2</b>	<b>6.9</b>	<b>28.5</b>	<b>450.2</b>

### Comparing 2025-26 Budget to 2026-27 Budget by delivery programme

Programme	Budget 2025-26			Budget 2026-27			Net Change £m
	Expenditure £m	Income £m	Net £m	Expenditure £m	Income £m	Net £m	
Building more homes	19.7	(14.1)	5.6	20.2	(13.5)	6.6	1.0
Making best use of land	2.3	(1.0)	1.4	4.9	(1.2)	3.7	2.4
Improving London's housing stock	12.6	(5.7)	6.9	15.6	(9.3)	6.4	(0.5)
Reducing inequalities	12.6	(0.3)	12.3	11.4	-	11.4	(0.9)
Accommodation and wider support for those who need it most	67.8	(52.5)	15.3	88.8	(61.4)	27.4	12.0
Reducing non-residential emissions	13.1	(0.3)	12.9	6.5	(0.3)	6.2	(6.6)
Delivering a greener, more climate-resilient London	10.3	(1.7)	8.6	15.1	(0.3)	14.8	6.2
Cleaning London's air	1.7	-	1.7	1.6	-	1.6	(0.1)
Supporting Londoners to benefit from growth	418.4	(409.3)	9.1	454.6	(425.2)	29.4	20.3
Supporting and inspiring young London	156.2	(0.0)	156.1	182.9	(10.0)	172.9	16.8
Boosting London's growth sectors	38.9	(22.0)	16.9	39.9	(3.4)	36.4	19.5
Helping local economies to thrive	7.6	(0.9)	6.7	11.3	(1.0)	10.3	3.5
Upgrading London's infrastructure	4.8	(3.2)	1.6	5.4	(2.7)	2.7	1.1
Supporting community, cultural and sporting events in London	21.8	(2.4)	19.4	24.6	(4.5)	20.1	0.6
Transport programmes	-	-	-	2.8	(1.6)	1.2	1.2
<b>Total Portfolio Budget</b>	<b>787.9</b>	<b>(513.2)</b>	<b>274.7</b>	<b>885.4</b>	<b>(534.3)</b>	<b>351.1</b>	<b>76.4</b>

The base budgets (as per the MD reports in March 2025) have been updated, to reflect the allocation across programmes of the 2025-26 pay award and strategic investments set out in this budget. This is reflected in the 'net change' column above.

It should be noted that the first table in this appendix shows the net expenditure budget across directorates and delivery plans, including spending on core and Group collaboration. The second table shows the net expenditure budget by portfolio, which excludes core and Group collaboration spending.

## E – Delivery plan revenue budgets

Delivery Plans	Expenditure £m	Budget 2026-27	Net £m
		Income £m	
Building more homes			
Secure flexible funding to enable housing delivery	0.2	(0.0)	0.1
Continued delivery of current and future Affordable Housing Programmes	11.2	(7.1)	4.1
Work to enable more homes of all tenures	8.8	(6.5)	2.4
<b>Building more homes Total</b>	<b>20.2</b>	<b>(13.5)</b>	<b>6.6</b>
Making best use of land			
Maximising current opportunities to accelerate early delivery – key projects	0.3	-	0.3
Strategic planning framework programmes – key projects	2.7	-	2.7
Design quality and place-making- key projects	0.9	(0.2)	0.7
Building blocks & system functionality: Making the case to government for enhanced system capacity and increased funding – key projects	1.0	(1.0)	-
<b>Making best use of land Total</b>	<b>4.9</b>	<b>(1.2)</b>	<b>3.7</b>
Improving London’s housing stock			
Address systemic building safety issues	6.0	(6.0)	0.0
Improving standards and conditions in rented homes	3.3	-	3.3
Domestic decarb	6.3	(3.3)	3.0
Staff costs funded through programme budget	-	-	-
<b>Improving London’s housing stock Total</b>	<b>15.6</b>	<b>(9.3)</b>	<b>6.4</b>
Reducing inequalities			
Londoners are treated fairly and with dignity	1.8	-	1.8
Londoners can have a say in the running of the city	1.4	-	1.4
Londoners get on with and support each other	0.6	-	0.6
Londoners’ incomes meet their everyday needs	5.8	-	5.8
Londoners have access to health & care system that supports	0.3	-	0.3
Londoners live in city that supports mental & physical health	1.9	-	1.9
Staff costs sitting across multiple programmes	0.4	-	0.4
<b>Reducing inequalities Total</b>	<b>11.4</b>	<b>-</b>	<b>11.4</b>
Accommodation and Wider Support for Those Who Need It Most			
Access to safe and appropriate accommodation and support	86.5	(61.0)	25.4
Wider support services	0.5	-	0.5
Sector support and system leadership	1.8	(0.4)	1.5
<b>Accommodation and Wider Support for Those Who Need It Most Total</b>	<b>88.8</b>	<b>(61.4)</b>	<b>27.4</b>
Reducing non-residential emissions			
Reducing emissions from London’s buildings	0.1	-	0.1
Supporting a flexible, low carbon energy system	1.5	-	1.5
Enabling the financing of the transition	0.7	-	0.7
Tackling emissions from waste/promoting a circular economy	0.1	-	0.1
Leading by example/connect Londoners with net-zero ambition	0.4	-	0.4
Core staffing to support programmes	3.7	(0.3)	3.5
<b>Reducing non-residential emissions Total</b>	<b>6.5</b>	<b>(0.3)</b>	<b>6.2</b>
Delivering a greener, more climate-resilient London			
Accelerating delivery	13.7	(0.2)	13.5
Providing leadership	0.5	(0.1)	0.4
Staff costs	0.9	-	0.9
<b>Delivering a greener, more climate-resilient London Total</b>	<b>15.1</b>	<b>(0.3)</b>	<b>14.8</b>
Cleaning London’s air			
Cutting pollution from all sources to improve health outcomes and reduce health inequality for Londoners	0.3	-	0.3
Understanding the policies, interventions, powers, and resources needed to make London’s air the cleanest of any major world city as quickly as possible	0.2	-	0.2
Ensuring that London boroughs and other partners take effective action to reduce exposure and emissions	0.0	-	0.0
Raising awareness amongst London’s communities of the health impacts of air pollution and empowering them to advocate for local action	0.3	-	0.3
Staffing to support programme delivery	0.9	-	0.9
<b>Cleaning London’s air Total</b>	<b>1.6</b>	<b>-</b>	<b>1.6</b>

Delivery Plans	Budget 2026-27		
	Expenditure £m	Income £m	Net £m
Supporting Londoners to benefit from growth			
Creating an employer-led inclusive talent system and building talent pipelines	55.8	(16.1)	39.7
System coordination and breaking down barriers to opportunities	394.1	(408.8)	(14.7)
Embedding good work across the capital	3.5	-	3.5
Attracting investment and building capacity	1.3	(0.4)	0.9
<b>Supporting Londoners to benefit from growth Total</b>	<b>454.6</b>	<b>(425.2)</b>	<b>29.4</b>
Supporting and Inspiring Young London			
Continue universal free school meals	113.3	-	113.3
Ensuring young people are safe and thriving	52.5	-	52.5
Ensuring children and young people have good physical and mental health	1.7	-	1.7
Ensuring young people are equipped to gain good employment and career progression	10.3	(10.0)	0.3
Young people's voices – and convening and coordinating	2.7	-	2.7
Staff costs funded through programme	2.4	-	2.4
<b>Supporting and Inspiring Young London Total</b>	<b>182.9</b>	<b>(10.0)</b>	<b>172.9</b>
Boosting London's growth sectors			
Support innovative businesses to grow	-	-	-
Create the conditions for growth sectors to thrive	0.1	-	0.1
Support city-wide coordination across specific sectors	39.8	(3.4)	36.3
Oxford Street pedestrianisation	-	-	-
<b>Boosting London's growth sectors Total</b>	<b>39.9</b>	<b>(3.4)</b>	<b>36.4</b>
Helping local economies to thrive			
Support and space for small business, communities and culture	1.1	(0.6)	0.6
Placemaking – capital exemplar projects	0.1	-	0.1
Placemaking – capacity and capability	0.4	(0.5)	(0.1)
Supporting London's nightlife	2.1	-	2.1
Core staffing supporting the delivery plan	7.5	-	7.5
<b>Helping local economies to thrive Total</b>	<b>11.3</b>	<b>(1.0)</b>	<b>10.3</b>
Upgrading London's infrastructure			
Enabling the new infrastructure needed for housing and productivity	0.9	(0.6)	0.3
Readying London's infrastructure for the future	2.3	(0.8)	1.5
Reducing disruption caused by infrastructure delivery	0.6	(0.6)	0.0
Driving data innovation	1.6	(0.7)	0.9
<b>Upgrading London's infrastructure Total</b>	<b>5.4</b>	<b>(2.7)</b>	<b>2.7</b>
Supporting community, cultural and sporting events in London			
Celebrating and honouring specific communities through hosting and supporting a range of events and emblematic projects that reflect our diverse communities	2.7	(1.1)	1.6
Celebrating all of London through diverse cultural offerings that focus on local communities across the	12.2	(0.5)	11.7
Delivering major events of global and national significance	9.6	(2.9)	6.7
Promoting volunteering to enable Londoners to participate more directly in London's cultural offer	0.1	-	0.1
<b>Supporting community, cultural and sporting events in London Total</b>	<b>24.6</b>	<b>(4.5)</b>	<b>20.1</b>
<b>Transport programmes</b>	<b>2.8</b>	<b>(1.6)</b>	<b>1.2</b>
<b>MOPAC</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>
<b>Core</b>	<b>104.5</b>	<b>(13.4)</b>	<b>91.1</b>
<b>Group Collaboration</b>	<b>8.0</b>	<b>-</b>	<b>8.0</b>
<b>Total Delivery Plan Budget</b>	<b>997.9</b>	<b>(547.7)</b>	<b>450.2</b>

## **F – Delivery plan decision reports**

Delivery plans with clear, measurable goals have now been agreed for all 14 GLA-led programmes:

- [MD3378: Delivery Plan – Building more homes](#), 28 July 2025
- [MD3396: Delivery Plan – Improving London’s housing stock](#), 28 July 2025
- [MD3386: Delivery Plan – Accommodation and wider support for those who need it most](#), 20 August 2025
- [MD3384: Delivery Plan – Delivering a greener, more climate-resilient London](#), 11 June 2025
- [MD3400: Delivery Plan – Cleaning London’s air](#), 28 July 2025
- [MD3380: Delivery Plan – Supporting and inspiring young London](#), 30 June 2025
- [MD3382: Delivery Plan – Upgrading London’s infrastructure](#), 20 August 2025
- [MD3392: Delivery Plan – Supporting community, cultural and sporting events in London](#), 16 September 2025
- [MD3434: Delivery Plan – Making best use of land](#), 12 November 2025
- [MD3391: Delivery Plan – Reducing inequalities](#), 13 January 2026
- [MD3397: Delivery Plan – Reducing non-residential emissions](#), 10 December 2025
- [MD3430: Delivery Plan – Boosting London’s growth sectors](#), 18 December 2025
- [MD3426: Delivery Plan – Helping local economies to thrive](#), 18 December 2025
- [MD3395: Delivery Plan – Supporting Londoners to benefit from growth](#), 25 November 2025

## G – Directorate budgets 2025-26 to 2028-29

Directorate	Budget 2025-26			Plan 2026-27			Budget 2026-27		
	Expenditure £m	Income £m	Net £m	Expenditure £m	Income £m	Net £m	Expenditure £m	Income £m	Net £m
<b>Chief Officer</b>									
Core CMT	0.3	-	0.3	0.3	-	0.3	0.3	-	0.3
Elections	0.2	-	0.2	0.2	-	0.2	0.3	-	0.3
Mayoral Boards	1.3	(0.7)	0.6	1.3	(0.7)	0.6	1.2	(0.6)	0.6
Standards	0.2	-	0.2	0.2	-	0.2	0.2	-	0.2
Transformation Programme	1.5	-	1.5	1.5	-	1.5	1.0	-	1.0
<b>Chief Officer Total</b>	<b>3.4</b>	<b>(0.7)</b>	<b>2.7</b>	<b>3.4</b>	<b>(0.7)</b>	<b>2.7</b>	<b>2.9</b>	<b>(0.6)</b>	<b>2.3</b>
<b>Communities &amp; Skills</b>									
Civil Society & Sport	5.3	-	5.3	6.8	-	6.8	55.1	-	55.1
Communities & Social Policy	10.8	(0.6)	10.1	10.5	(0.5)	10.0	8.4	(0.4)	8.0
Director of C&S	0.6	-	0.6	0.6	-	0.6	0.7	-	0.7
ESF	0.3	-	0.3	0.3	-	0.3	0.0	-	0.0
Group Public Health	1.4	(0.3)	1.1	1.4	(0.3)	1.1	1.4	-	1.4
Health & CYL	152.7	(0.0)	152.7	155.3	(0.0)	155.3	120.7	-	120.7
Skills & employment	79.7	(72.3)	7.3	56.5	(50.0)	6.5	99.7	(93.5)	6.2
Adult Skills Fund	337.0	(337.0)	-	337.0	(337.0)	-	341.8	(341.8)	-
<b>Communities &amp; Skills Total</b>	<b>587.7</b>	<b>(410.3)</b>	<b>177.4</b>	<b>568.4</b>	<b>(387.8)</b>	<b>180.6</b>	<b>627.7</b>	<b>(435.6)</b>	<b>192.1</b>
<b>Good Growth</b>									
Coordination & Programme Unit	0.7	-	0.7	0.7	-	0.7	0.4	-	0.4
Culture & Creative Industries	16.5	(0.4)	16.2	15.6	(0.3)	15.3	18.3	(1.3)	17.0
Museum of London	-	-	-	-	-	-	-	-	-
Director, Good Growth	0.2	-	0.2	0.2	-	0.2	0.2	-	0.2
Economic Development	35.8	(22.4)	13.4	15.2	(1.0)	14.3	58.3	(3.1)	55.2
Environment	29.1	(0.3)	28.8	29.1	(0.3)	28.9	27.9	(3.8)	24.1
Planning & Regeneration	14.9	(4.1)	10.8	9.8	(3.7)	6.1	16.8	(3.6)	13.2
Transport, Infrastructure & Connectivity	7.7	(4.9)	2.8	7.0	(4.2)	2.8	9.7	(4.2)	5.5
<b>Good Growth Total</b>	<b>104.9</b>	<b>(32.1)</b>	<b>72.9</b>	<b>77.7</b>	<b>(9.4)</b>	<b>68.2</b>	<b>131.5</b>	<b>(16.0)</b>	<b>115.6</b>
<b>Housing &amp; Land</b>									
Building Safety	5.7	(5.7)	-	5.6	(5.6)	-	6.0	(6.0)	(0.0)
Exec Director of Housing and Land	0.2	(0.1)	0.1	0.2	(0.1)	0.1	5.1	(0.2)	4.8
Investment and Operations	10.0	(5.8)	4.2	9.7	(5.8)	3.9	4.4	(0.7)	3.6
Programmes and Policy	-	-	-	-	-	-	6.1	(5.5)	0.6
Specialist Housing and Services	66.9	(52.3)	14.6	29.0	(10.8)	18.1	89.1	(62.2)	26.8
Land and Development	14.7	(10.3)	4.5	12.7	(10.2)	2.6	11.2	(7.9)	3.3
<b>Housing &amp; Land Total</b>	<b>97.5</b>	<b>(74.2)</b>	<b>23.3</b>	<b>57.2</b>	<b>(32.5)</b>	<b>24.7</b>	<b>121.7</b>	<b>(82.6)</b>	<b>39.2</b>
<b>Mayor's Office</b>									
Communications	1.1	-	1.1	1.1	-	1.1	1.1	-	1.1
Deputy Mayors & Lead Advisors	1.6	(0.0)	1.5	1.6	(0.0)	1.5	1.6	(0.0)	1.6
Mayoral Operations	1.4	-	1.4	1.4	-	1.4	1.4	-	1.4
Policy and Delivery	1.6	(0.1)	1.5	1.6	(0.1)	1.5	1.7	(0.1)	1.6
Political and Public Affairs	1.1	(0.0)	1.1	1.1	(0.0)	1.1	1.2	(0.0)	1.2
<b>Mayor's Office Total</b>	<b>6.7</b>	<b>(0.1)</b>	<b>6.6</b>	<b>6.8</b>	<b>(0.1)</b>	<b>6.7</b>	<b>7.0</b>	<b>(0.1)</b>	<b>6.9</b>
<b>Chief Finance Officer</b>									
Chief Finance Officer	12.6	(0.6)	12.1	14.9	(0.6)	14.3	12.7	(0.7)	12.0
ERP SAP Replacement	0.9	-	0.9	0.9	-	0.9	0.9	-	0.9
Strategic Programmes	-	-	-	-	-	-	0.2	-	0.2
Financial Services	2.7	(0.4)	2.3	2.7	(0.4)	2.3	4.0	(0.4)	3.6
Group Finance & Performance	1.4	(0.3)	1.1	1.4	(0.3)	1.1	1.6	(0.2)	1.4
Treasury Services	1.7	(1.2)	0.5	1.8	(1.2)	0.6	1.3	(1.1)	0.2
<b>Chief Finance Officer Total</b>	<b>19.3</b>	<b>(2.5)</b>	<b>16.9</b>	<b>21.6</b>	<b>(2.5)</b>	<b>19.1</b>	<b>20.5</b>	<b>(2.3)</b>	<b>18.3</b>
<b>Corporate Resources and Business Improvement</b>									
Digital Experience Unit	8.9	-	8.9	8.0	-	8.0	5.8	-	5.8
Exec Dir Resource & Business Improvement	2.8	(0.0)	2.8	1.5	(0.0)	1.5	1.5	(0.0)	1.5
Facilities Management	14.1	(2.6)	11.5	14.0	(2.6)	11.5	17.6	(2.2)	15.4
People Function	4.0	(0.2)	3.8	3.8	(0.2)	3.6	4.2	(0.2)	4.0
Information Governance & Assurance	0.3	-	0.3	0.4	-	0.4	0.4	-	0.4
Shared Services	12.8	(1.0)	11.8	12.8	(1.0)	11.8	11.2	(1.3)	9.9
Technology Group	3.5	(0.4)	3.1	0.8	(0.4)	0.4	0.7	-	0.7
Executive Support	-	-	-	-	-	-	1.4	-	1.4
Business Improvement	-	-	-	-	-	-	0.1	-	0.1
Performance & Collaboration	-	-	-	-	-	-	0.2	-	0.2
<b>Corporate Resources and Business Improvement Total</b>	<b>46.4</b>	<b>(4.1)</b>	<b>42.3</b>	<b>41.3</b>	<b>(4.1)</b>	<b>37.2</b>	<b>43.1</b>	<b>(3.7)</b>	<b>39.3</b>
<b>Strategy &amp; Communications</b>									
City Intelligence	5.0	(0.7)	4.3	4.8	(0.7)	4.1	4.6	(0.7)	3.8
Events for London	10.1	(2.0)	8.1	10.1	(2.0)	8.1	12.8	(3.2)	9.5
External Relations	5.7	(0.3)	5.4	5.7	(0.3)	5.3	5.8	(0.1)	5.8
Fire	0.6	-	0.6	0.6	-	0.6	0.6	-	0.6
Government & EU relations	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)
London Resilience	4.1	(1.1)	3.0	4.0	(1.0)	3.1	5.3	(1.8)	3.4
Major Sports Events	1.1	-	1.1	1.7	-	1.7	2.8	(0.9)	1.8
Public Affairs and Strategic Partnerships	3.1	(0.0)	3.1	3.1	(0.0)	3.1	3.1	(0.0)	3.0
Strategy & Comms Director	0.5	-	0.5	0.5	-	0.5	0.5	-	0.5
<b>Strategy &amp; Communications Total</b>	<b>30.1</b>	<b>(4.1)</b>	<b>26.0</b>	<b>30.5</b>	<b>(4.0)</b>	<b>26.4</b>	<b>35.4</b>	<b>(6.9)</b>	<b>28.5</b>
<b>Group Collaboration</b>	8.1	-	8.1	8.1	-	8.1	8.0	-	8.0
<b>Total Directorate Budget</b>	<b>904.1</b>	<b>(528.0)</b>	<b>376.1</b>	<b>814.8</b>	<b>(441.2)</b>	<b>373.7</b>	<b>997.9</b>	<b>(547.7)</b>	<b>450.2</b>
<b>Minimum Revenue Provision (not assigned to Directorates)</b>	0.6	-	0.6	1.0	-	1.0	2.0	-	2.0
<b>Total Budget</b>	<b>904.7</b>	<b>(528.0)</b>	<b>376.7</b>	<b>815.8</b>	<b>(441.2)</b>	<b>374.7</b>	<b>999.9</b>	<b>(547.7)</b>	<b>452.2</b>

Directorate	Plan 2027-28			Plan 2028-29		
	Expenditure £m	Income £m	Net £m	Expenditure £m	Income £m	Net £m
Chief Officer						
Core CMT	0.3	-	0.3	0.3	-	0.3
Elections	0.3	-	0.3	40.2	-	40.2
Mayoral Boards	1.2	(0.6)	0.6	1.2	(0.6)	0.6
Standards	0.2	-	0.2	0.2	-	0.2
Transformation Programme	1.0	-	1.0	1.0	-	1.0
<b>Chief Officer Total</b>	<b>3.0</b>	<b>(0.6)</b>	<b>2.4</b>	<b>42.9</b>	<b>(0.6)</b>	<b>42.3</b>
Communities & Skills						
Civil Society & Sport	9.1	-	9.1	8.9	-	8.9
Communities & Social Policy	6.9	(0.4)	6.5	6.8	(0.4)	6.4
Director of C&S	0.7	-	0.7	0.8	-	0.8
ESF	(0.1)	-	(0.1)	(0.1)	-	(0.1)
Group Public Health	1.4	-	1.4	1.4	-	1.4
Health & CYL	104.4	-	104.4	101.4	-	101.4
Skills & employment	101.6	(95.8)	5.7	95.8	(90.1)	5.7
Adult Skills Fund	341.8	(341.8)	-	341.8	(341.8)	-
<b>Communities &amp; Skills Total</b>	<b>565.8</b>	<b>(438.0)</b>	<b>127.8</b>	<b>556.8</b>	<b>(432.2)</b>	<b>124.6</b>
Good Growth						
Coordination & Programme Unit	0.4	-	0.4	0.4	-	0.4
Culture & Creative Industries	17.8	(0.5)	17.3	18.0	(0.3)	17.7
Museum of London	-	-	-	-	-	-
Director, Good Growth	0.2	-	0.2	0.2	-	0.2
Economic Development	32.2	(0.6)	31.7	31.4	(0.6)	30.9
Environment	20.4	(2.7)	17.7	15.2	(0.7)	14.5
Planning & Regeneration	10.7	(2.5)	8.2	9.9	(2.5)	7.4
Transport, Infrastructure & Connectivity	9.8	(4.2)	5.5	9.8	(4.2)	5.5
<b>Good Growth Total</b>	<b>91.5</b>	<b>(10.4)</b>	<b>81.1</b>	<b>84.9</b>	<b>(8.2)</b>	<b>76.7</b>
Housing & Land						
Building Safety	5.9	(5.9)	-	5.9	(5.9)	-
Exec Director of Housing and Land	2.0	(0.2)	1.8	2.0	(0.2)	1.8
Investment and Operations	4.1	(0.5)	3.6	4.0	(0.5)	3.6
Programmes and Policy	5.5	(5.5)	(0.0)	5.5	(5.5)	(0.0)
Specialist Housing and Services	85.1	(66.7)	18.4	77.5	(62.0)	15.4
Land and Development	11.2	(8.4)	2.8	11.3	(8.9)	2.4
<b>Housing &amp; Land Total</b>	<b>113.7</b>	<b>(87.2)</b>	<b>26.6</b>	<b>106.2</b>	<b>(83.0)</b>	<b>23.2</b>
Mayor's Office						
Communications	1.1	-	1.1	1.1	-	1.1
Deputy Mayors & Lead Advisors	1.6	(0.0)	1.6	1.6	(0.0)	1.6
Mayoral Operations	1.5	-	1.5	1.5	-	1.5
Policy and Delivery	1.7	(0.1)	1.6	1.7	(0.1)	1.6
Political and Public Affairs	1.2	(0.0)	1.2	1.2	(0.0)	1.2
<b>Mayor's Office Total</b>	<b>7.1</b>	<b>(0.1)</b>	<b>7.0</b>	<b>7.1</b>	<b>(0.1)</b>	<b>7.0</b>
Chief Finance Officer						
Chief Finance Officer	19.0	(0.7)	18.3	19.3	(0.7)	18.6
ERP/SAP Replacement	0.9	-	0.9	0.9	-	0.9
Strategic Programmes	0.1	-	0.1	-	-	-
Financial Services	4.0	(0.4)	3.6	4.0	(0.4)	3.6
Group Finance & Performance	1.5	(0.2)	1.3	1.4	(0.2)	1.3
Treasury Services	1.2	(0.7)	0.6	1.3	(0.6)	0.6
<b>Chief Finance Officer Total</b>	<b>26.6</b>	<b>(1.9)</b>	<b>24.7</b>	<b>26.8</b>	<b>(1.9)</b>	<b>25.0</b>
Corporate Resources and Business Improvement						
Digital Experience Unit	5.8	-	5.8	5.7	-	5.7
Exec Dir Resource & Business Improvement	1.5	(0.0)	1.5	1.5	(0.0)	1.5
Facilities Management	15.1	(1.8)	13.3	15.2	(1.8)	13.4
People Function	4.2	(0.2)	4.0	4.3	(0.2)	4.1
Information Governance & Assurance	0.4	-	0.4	0.4	-	0.4
Shared Services	11.2	(1.3)	9.9	11.2	(1.3)	9.9
Technology Group	0.4	-	0.4	0.4	-	0.4
Executive Support	1.4	-	1.4	1.4	-	1.4
Business Improvement	0.1	-	0.1	0.1	-	0.1
Performance & Collaboration	0.2	-	0.2	0.2	-	0.2
<b>Corporate Resources and Business Improvement Total</b>	<b>40.5</b>	<b>(3.3)</b>	<b>37.1</b>	<b>40.5</b>	<b>(3.3)</b>	<b>37.1</b>
Strategy & Communications						
City Intelligence	4.4	(0.6)	3.8	4.5	(0.6)	3.8
Events for London	12.8	(3.2)	9.5	12.8	(3.2)	9.5
External Relations	5.8	(0.1)	5.8	5.9	(0.1)	5.8
Fire	0.6	-	0.6	0.6	-	0.6
Government & EU relations	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)
London Resilience	5.2	(1.7)	3.5	5.2	(1.3)	4.0
Major Sports Events	12.2	(6.6)	5.6	20.0	(11.3)	8.7
Public Affairs and Strategic Partnerships	3.1	(0.0)	3.0	3.1	(0.0)	3.1
Strategy & Comms Director	0.5	-	0.5	0.5	-	0.5
<b>Strategy &amp; Communications Total</b>	<b>44.6</b>	<b>(12.3)</b>	<b>32.3</b>	<b>52.6</b>	<b>(16.6)</b>	<b>36.1</b>
<b>Group Collaboration</b>	<b>8.0</b>	<b>-</b>	<b>8.0</b>	<b>8.0</b>	<b>-</b>	<b>8.0</b>
<b>Total Directorate Budget</b>	<b>900.8</b>	<b>(553.8)</b>	<b>347.0</b>	<b>925.9</b>	<b>(545.9)</b>	<b>380.0</b>
<b>Minimum Revenue Provision (not assigned to Directorates)</b>	<b>2.9</b>	<b>-</b>	<b>2.9</b>	<b>3.0</b>	<b>-</b>	<b>3.0</b>
<b>Total Budget</b>	<b>903.7</b>	<b>(553.8)</b>	<b>349.9</b>	<b>928.9</b>	<b>(545.9)</b>	<b>383.0</b>

## H – External income by delivery plan and core budget, 2026-27 to 2028-29

### External income by delivery plan, 2026-27 to 2028-29

Budget line	2026-27 Budget £m	2027-28 Plan £m	2028-29 Plan £m
<b>Building more homes</b>			
Care and Support Specialised Housing Fund	0.2	0.2	-
Community Led Housing - Income	0.9	0.0	-
Estates TfL Shared Service - GLAP recharge	0.6	0.6	0.6
Hsg Director (GLA)	0.1	0.1	0.1
Investment and Operations Team (income)	0.7	0.5	0.5
Land & Development + Public Land team (income)	1.8	1.8	1.8
North East Area team - Income	0.1	0.1	0.1
Programme & Policy Team (income)	5.3	5.3	5.3
Royal Docks Income	3.5	4.0	4.5
Seaside and Country - Income	0.1	0.1	0.1
South Area Team - Income	0.1	0.1	0.1
<b>Building more homes Total</b>	<b>13.5</b>	<b>12.9</b>	<b>13.2</b>
<b>Making best use of land</b>			
MHCLG	1.1	-	-
LEP Growth Hub	0.1	-	-
<b>Making best use of land Total</b>	<b>1.2</b>	<b>-</b>	<b>-</b>
<b>Improving London's housing stock</b>			
Building Safety - Income	6.0	5.9	5.9
Department for Energy and Net Zero	3.3	2.1	0.1
<b>Improving London's housing stock Total</b>	<b>9.3</b>	<b>7.9</b>	<b>6.0</b>
<b>Accommodation and Wider Support for Those Who Need It Most</b>			
Domestic Abuse - Income	26.9	34.9	36.0
London Strategic Migration Partnership (UKVI) - Income	0.4	0.4	0.4
Integrated Settlement: Homelessness Rough Sleeping Grant	25.3	25.8	25.9
Single Homelessness Accommodation Programme	8.9	5.6	-
<b>Accommodation and Wider Support for Those Who Need It Most Total</b>	<b>61.4</b>	<b>66.7</b>	<b>62.3</b>
<b>Reducing non-residential emissions</b>			
Energy Supply Company: London Power	0.2	0.3	0.3
Local Nature Recovery	0.1	0.1	0.1
<b>Reducing non-residential emissions Total</b>	<b>0.3</b>	<b>0.4</b>	<b>0.4</b>
<b>Delivering a greener, more climate-resilient London</b>			
Integrated Settlement: Local Nature Recovery Strategies	0.2	0.2	0.2
Pathways to resilience funding	0.1	0.1	0.1
<b>Delivering a greener, more climate-resilient London Total</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>
<b>Supporting Londoners to benefit from growth</b>			
GBW Trailblazer - Economic Inactivity	20.0	20.0	20.0
Integrated Settlement: Adult Skills Fund	341.8	341.8	341.8
Integrated Settlement: Connect to Work	47.0	49.4	43.7
Integrated Settlement: Department for Education - Skills Bootcamp	11.8	11.8	11.8
Integrated Settlement: FE Teacher Industry Exchange	0.4	0.4	0.4
Integrated Settlement: Industry Placements	4.3	4.3	4.3
<b>Supporting Londoners to benefit from growth Total</b>	<b>425.2</b>	<b>427.6</b>	<b>421.9</b>
<b>Supporting and Inspiring Young London</b>			
GBW Trailblazer - Youth Guarantee	10.0	10.0	10.0
<b>Supporting and Inspiring Young London Total</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>
<b>Boosting London's growth sectors</b>			
Euro 2028 Funding from DCMS	0.9	6.6	11.3
Integrated Settlement: Made Smarter	2.5	-	-
<b>Boosting London's growth sectors Total</b>	<b>3.4</b>	<b>6.6</b>	<b>11.3</b>

Budget line	2026-27 Budget £m	2027-28 Plan £m	2028-29 Plan £m
<b>Helping local economies to thrive</b>			
High Streets Data Service Income	0.0	0.0	0.0
Integrated Settlement: Growth Hubs	0.6	0.6	0.6
Local Authority Contributions	0.4	0.4	0.4
<b>Helping local economies to thrive Total</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>
<b>Upgrading London's infrastructure</b>			
Energy suppliers	0.2	0.2	0.2
Infrastructure Coordination Service	2.5	2.5	2.5
<b>Upgrading London's infrastructure Total</b>	<b>2.7</b>	<b>2.7</b>	<b>2.7</b>
<b>Supporting community, cultural and sporting events in London</b>			
Arts Council England	0.3	0.3	0.1
Fundraising	0.1	0.0	-
Sponsorship income	1.0	0.2	0.1
Statutory events programme	3.2	3.2	3.2
<b>Supporting community, cultural and sporting events in London Total</b>	<b>4.5</b>	<b>3.7</b>	<b>3.5</b>
<b>Transport programmes</b>			
Road User Charging Appeals Service	1.6	1.6	1.6
<b>Transport programmes Total</b>	<b>1.6</b>	<b>1.6</b>	<b>1.6</b>
<b>Core</b>			
Blue Light Responders	0.1	0.1	0.1
Census- Income	0.0	0.0	0.0
Crossrail (BRS/MCIL)	0.1	0.1	0.1
Crystal Palace National Sports Centre Income	1.9	1.9	1.9
Data partnerships	0.1	0.1	0.1
DPA Team- Income	0.2	0.2	0.2
GIS misc income	0.0	0.0	0.0
GLA Economics- Income	0.2	0.2	0.2
GLAP income recharge - non pay	0.2	0.2	0.2
GLAP income recharge (Chief Executive Director)	0.0	0.0	0.0
GLAP income recharge (FM & IT desk charge)	1.3	1.3	1.3
GLAP income recharges	1.0	1.0	1.0
GLP income recharge -Pay	0.0	0.0	0.0
Government Relations Income (from FBs for the monitoring contract)	0.0	0.0	0.0
Hsg Director (GLA)	0.1	0.1	0.1
Investment Income	1.1	1.0	1.0
LLDC - Income	0.1	0.1	0.1
LLDC solar membrane	-	(0.4)	(0.4)
London Boroughs	0.0	0.0	0.0
London European Office- INCOME	0.0	0.0	0.0
London Resilience- Income	1.0	0.9	0.4
London Resilience- Trailbrazer from MHCLG	0.7	0.7	0.7
Mayors Press Office (Shared service income)	0.1	0.1	0.1
MOPAC	0.1	0.1	0.1
OPDC - Income	0.0	0.0	0.0
OPDC income recharge - staffing	0.1	0.1	0.1
Planning DMV Income	0.2	0.2	0.2
Planning Pre-App Income	1.7	1.7	1.7
Recharges	0.1	0.1	0.1
Rental & Other Sales Income	0.9	0.5	0.5
Safestats Crime team income from MOPAC	0.2	0.2	0.2
Shared Services	1.3	1.3	1.3
Sub-regional Partnership	0.1	0.0	-
TfL Shared Service - Income	0.4	0.4	0.4
<b>Core Total</b>	<b>13.4</b>	<b>12.4</b>	<b>11.9</b>
<b>Grand Total</b>	<b>547.7</b>	<b>553.8</b>	<b>545.9</b>

## External income by directorate, 2026-27 to 2028-29

Budget line	2026-27 Budget £m	2027-28 Plan £m	2028-29 Plan £m
<b>Chief Officers Directorate</b>			
GLAP income recharge (Chief Executive Director)	0.0	0.0	0.0
MOPAC	0.1	0.1	0.1
LLDC - Income	0.1	0.1	0.1
OPDC - Income	0.0	0.0	0.0
TfL Shared Service - Income	0.4	0.4	0.4
<b>Chief Officers Directorate Total</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>
<b>Communities &amp; Skills</b>			
Integrated Settlement: Adult Skills Fund	341.8	341.8	341.8
Integrated Settlement: Department for Education - Skills Bootcamp	11.8	11.8	11.8
GBW Trailblazer - Economic Inactivity	20.0	20.0	20.0
GBW Trailblazer - Youth Guarantee	10.0	10.0	10.0
London Strategic Migration Partnership (UKVI) - Income	0.4	0.4	0.4
Integrated Settlement: Connect to Work	47.0	49.4	43.7
Integrated Settlement: Industry Placements	4.3	4.3	4.3
Integrated Settlement: FE Teacher Industry Exchange	0.4	0.4	0.4
<b>Communities &amp; Skills Total</b>	<b>435.6</b>	<b>438.0</b>	<b>432.2</b>
<b>Good Growth</b>			
High Streets Data Service Income	0.0	0.0	0.0
Local Nature Recovery	0.1	0.1	0.1
LEP Growth Hub	0.1	-	-
Energy Supply Company: London Power	0.2	0.3	0.3
Energy suppliers	0.2	0.2	0.2
Infrastructure Coordination Service	2.5	2.5	2.5
Road User Charging Appeals Service	1.6	1.6	1.6
Planning DMV Income	0.2	0.2	0.2
Planning Pre-App Income	1.7	1.7	1.7
Arts Council England	0.3	0.3	0.1
Department for Energy and Net Zero	3.3	2.1	0.1
MHCLG	1.1	-	-
Fundraising	0.1	0.0	-
Sponsorship income	1.0	0.2	0.1
Pathways to resilience funding	0.1	0.1	0.1
Local Authority Contributions	0.4	0.4	0.4
Integrated Settlement: Made Smarter	2.5	-	-
Integrated Settlement: Growth Hubs	0.6	0.6	0.6
Integrated Settlement: Local Nature Recovery Strategies	0.2	0.2	0.2
Data partnerships	0.1	0.1	0.1
<b>Good Growth Total</b>	<b>16.0</b>	<b>10.4</b>	<b>8.2</b>
<b>Housing and Land</b>			
Building Safety - Income	6.0	5.9	5.9
Programme & Policy Team (income)	5.3	5.3	5.3
Investment and Operations Team (income)	0.7	0.5	0.5
North East Area team - Income	0.1	0.1	0.1
South Area Team - Income	0.1	0.1	0.1
Community Led Housing - Income	0.9	0.0	-
Domestic Abuse - Income	26.9	34.9	36.0
Seaside and Country - Income	0.1	0.1	0.1
Single Homelessness Accommodation Programme	8.9	5.6	-
Estates TfL Shared Service - GLAP recharge	0.6	0.6	0.6
Royal Docks Income	3.5	4.0	4.5
Land & Development + Public Land team (income)	1.8	1.8	1.8
Crystal Palace National Sports Centre Income	1.9	1.9	1.9
Integrated Settlement: Homelessness Rough Sleeping Grant	25.3	25.8	25.9
Care and Support Specialised Housing Fund	0.2	0.2	-
Hsg Director (GLA)	0.2	0.2	0.2
<b>Housing and Land Total</b>	<b>82.6</b>	<b>87.2</b>	<b>83.0</b>
<b>Mayors Office</b>			
Recharges	0.1	0.1	0.1
<b>Mayors Office Total</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Corporate Resources and Business Improvement</b>			
GLAP income recharge (FM & IT desk charge)	1.3	1.3	1.3
Rental & Other Sales Income	0.9	0.5	0.5
GLAP income recharge - non pay	0.2	0.2	0.2
Shared Services	1.3	1.3	1.3
GLP income recharge - Pay	0.0	0.0	0.0
<b>Corporate Resources and Business Improvement Total</b>	<b>3.7</b>	<b>3.3</b>	<b>3.3</b>
<b>Chief Finance Officer</b>			
GLAP income recharges	1.0	1.0	1.0
OPDC income recharge - staffing	0.1	0.1	0.1
Crossrail (BRS/MCIL)	0.1	0.1	0.1
LLDC solar membrane	-	(0.4)	(0.4)
Investment Income	1.1	1.0	1.0
<b>Chief Finance Officer Total</b>	<b>2.3</b>	<b>1.9</b>	<b>1.9</b>
<b>Strategy &amp; Communications</b>			
Census - Income	0.0	0.0	0.0
DPA Team - Income	0.2	0.2	0.2
GIS misc income	0.0	0.0	0.0
GLA Economics - Income	0.2	0.2	0.2
Safestats Crime team income from MOPAC	0.2	0.2	0.2
Sub-regional Partnership	0.1	0.0	-
London Resilience - Income	1.0	0.9	0.4
London Resilience - Trailblazer from MHCLG	0.7	0.7	0.7
Mayors Press Office (Shared service income)	0.1	0.1	0.1
Statutory events programme	3.2	3.2	3.2
Euro 2028 Funding from DCMS	0.9	6.6	11.3
Government Relations Income (from FBs for the monitoring contract)	0.0	0.0	0.0
London Boroughs	0.0	(0.0)	(0.0)
Blue Light Responders	0.1	0.1	0.1
London European Office - income	0.0	0.0	0.0
<b>Strategy &amp; Communications Total</b>	<b>6.9</b>	<b>12.3</b>	<b>16.6</b>
<b>Grand Total</b>	<b>547.7</b>	<b>553.8</b>	<b>545.9</b>

## Integrated Settlement funding by delivery plan, 2026-27 to 2028-29

Delivery Plan	Directorate	Functional Responsibility	Fund	2026-27 Budget £m	2027-28 Plan £m	2028-29 Plan £m
Supporting Londoners to benefit from growth	Communities & Skills	Adult skills and employment support	Adult Skills Fund (Including Free Courses for Jobs)	337.0	337.0	337.0
			Adult Skills Fund Construction Skills Package Uplift	4.8	4.8	4.8
			Connect to Work	47.0	49.4	43.7
			Skills Bootcamps	9.0	9.0	9.0
			Skills Bootcamps Construction Skills Package Funding	2.8	2.8	2.8
			Industry Placements	4.3	4.3	4.3
			FE Teacher Industry Exchange	0.4	0.4	0.4
<b>Supporting Londoners to benefit from growth Total</b>				<b>405.2</b>	<b>407.6</b>	<b>401.9</b>
Accommodation and Wider Support for Those Who Need It Most	Housing & Land	Health, wellbeing and public service reform	Homelessness and Rough Sleeping	25.3	25.8	25.9
<b>Accommodation and Wider Support for Those Who Need It Most Total</b>				<b>25.3</b>	<b>25.8</b>	<b>25.9</b>
Boosting London's growth sectors	Good Growth	Economic development and regeneration	Made Smarter	2.5	-	-
<b>Boosting London's growth sectors Total</b>				<b>2.5</b>	<b>-</b>	<b>-</b>
Helping local economies to thrive	Good Growth	Economic development and regeneration	Growth Hubs	0.6	0.6	0.6
<b>Helping local economies to thrive Total</b>				<b>0.6</b>	<b>0.6</b>	<b>0.6</b>
Delivering a greener, more climate-resilient London	Good Growth	Environment and climate change	Local Nature Recovery Strategies	0.2	0.2	0.2
<b>Delivering a greener, more climate-resilient London Total</b>				<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
<b>Grand Total</b>				<b>433.7</b>	<b>434.1</b>	<b>428.5</b>

## I – Subjective tables 2026-27

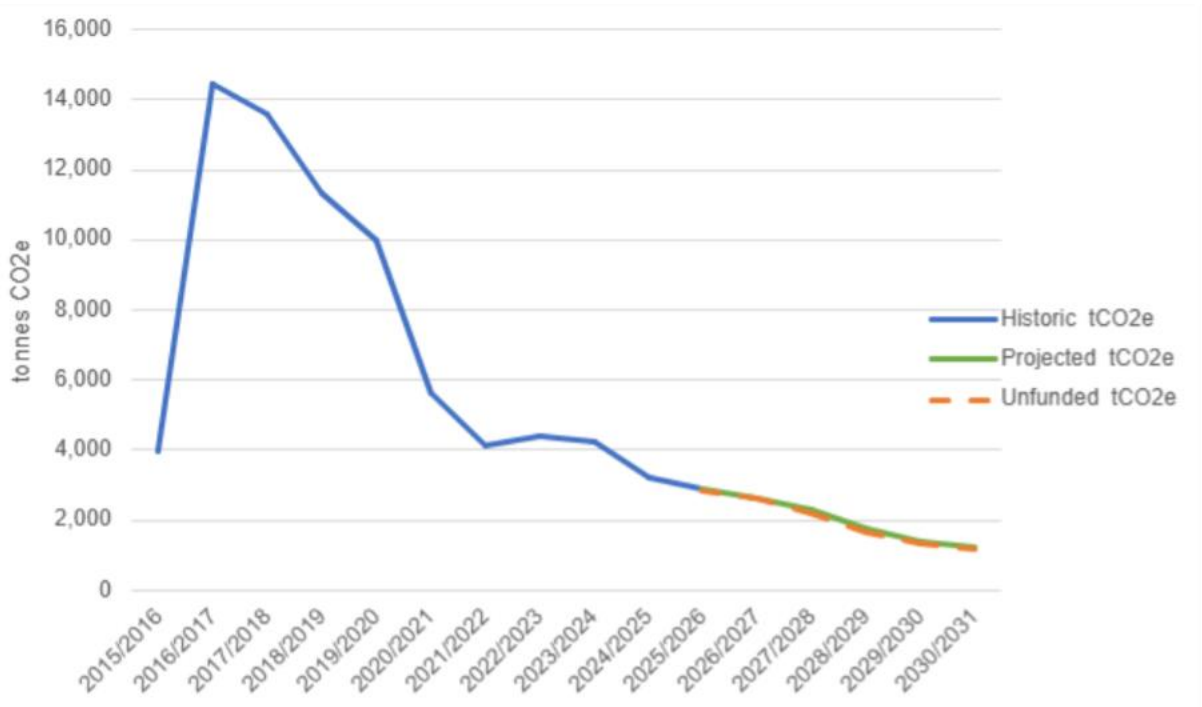
Delivery Plan	Subjective							
	Expenditure				Income			Net
	Staff costs	Premises costs	Supplies and services	Total gross expenditure	Sales, fees, charges and recharges	Specific grants	Total gross income	Net expenditure
£m	£m	£m	£m	£m	£m	£m	£m	£m
Building more homes	16.0	-	4.2	<b>20.2</b>	( 5.3)	( 8.3)	<b>( 13.5)</b>	<b>6.6</b>
Making best use of land	2.6	-	2.2	<b>4.9</b>	-	( 1.2)	<b>( 1.2)</b>	<b>3.7</b>
Improving London’s housing stock	6.2	-	9.5	<b>15.6</b>	-	( 9.3)	<b>( 9.3)</b>	<b>6.4</b>
Reducing inequalities	6.2	-	5.2	<b>11.4</b>	-	-	-	<b>11.4</b>
Accommodation and wider support for those who need it most	2.7	-	86.1	<b>88.8</b>	-	( 61.4)	<b>( 61.4)</b>	<b>27.4</b>
Reducing non-residential emissions	4.3	-	2.1	<b>6.5</b>	-	( 0.3)	<b>( 0.3)</b>	<b>6.2</b>
Delivering a greener, more climate-resilient London	1.1	-	14.0	<b>15.1</b>	-	( 0.3)	<b>( 0.3)</b>	<b>14.8</b>
Cleaning London’s air	0.9	-	0.7	<b>1.6</b>	-	-	-	<b>1.6</b>
Supporting Londoners to benefit from growth	11.1	-	443.5	<b>454.6</b>	-	( 425.2)	<b>( 425.2)</b>	<b>29.4</b>
Supporting and inspiring young London	3.9	-	179.1	<b>182.9</b>	-	( 10.0)	<b>( 10.0)</b>	<b>172.9</b>
Boosting London’s growth sectors	2.8	-	37.1	<b>39.9</b>	-	( 3.4)	<b>( 3.4)</b>	<b>36.4</b>
Helping local economies to thrive	2.9	-	8.4	<b>11.3</b>	-	( 1.0)	<b>( 1.0)</b>	<b>10.3</b>
Upgrading London’s infrastructure	2.7	-	2.6	<b>5.4</b>	-	( 2.7)	<b>( 2.7)</b>	<b>2.7</b>
Supporting community, cultural and sporting events in London	2.8	-	21.8	<b>24.6</b>	( 3.2)	( 1.3)	<b>( 4.5)</b>	<b>20.1</b>
Transport programmes	1.2	-	1.6	<b>2.8</b>	-	( 1.6)	<b>( 1.6)</b>	<b>1.2</b>
MOPAC	-	-	0.0	<b>0.0</b>	-	-	-	<b>0.0</b>
Core	55.8	17.0	31.7	<b>104.5</b>	( 5.0)	( 8.5)	<b>( 13.4)</b>	<b>91.1</b>
Group Collaboration	-	-	8.0	<b>8.0</b>	-	-	-	<b>8.0</b>
<b>Total</b>	<b>123.1</b>	<b>17.0</b>	<b>857.8</b>	<b>997.9</b>	<b>( 13.5)</b>	<b>( 534.2)</b>	<b>( 547.7)</b>	<b>450.2</b>

## J – London Climate Budget

1. The Mayor is investing in projects that will drive forward the green agenda in London. Achieving net-zero and climate resilience are cross-cutting principles across all 14 programmes in the GLA’s delivery portfolio. Through climate literacy training and other initiatives, the Environment team is supporting GLA staff to achieve more climate-aware decision-making, including within the budget allocation process. The Climate Budget itself has continued to provide visibility and organisational focus on the carbon and climate-resilience impact of spending on measures across the organisation. The GLA reports on two categories of climate-related spending:
  - first, expenditure aimed at decarbonising the GLA estate
  - second, expenditure on London-wide programmes and initiatives to support decarbonisation amongst our partners.

### Expenditure aimed at decarbonising the GLA estate (formerly Level 1)

2. For the GLA’s own estate, the Climate Budget focuses on emissions arising from City Hall, Trafalgar Square, CPNSC, and 639 Tottenham High Road. This 2026-27 Climate Budget for the GLA’s own estate includes, for the first time, London Stadium, following its transfer from the LLDC to the GLA. Consequently, this has increased the total emissions from the GLA estate, for which the pathway to net-zero now requires a higher level of investment. 639 Tottenham High Road has moved from funded to unfunded due to rising costs associated with the remedial works required on the property.
3. The level of investment in this category is approximately £3.9 million in 2026-27, with an expected total expenditure of £53 million over the next three financial years. The majority of the expenditure is associated with the decarbonisation of CPNSC, undertaken alongside the wider regeneration of the historic centre. This investment is estimated to reduce emissions by over 80,000 tCO<sub>2</sub>e. Including this category’s unfunded measures identified to date would see investment rise by £13.5 million. This level of investment would reduce emissions by an additional 2,359 tCO<sub>2</sub>e. In addition to carbon reduction, such investments in the corporate estate lower fuel bills.
4. The full breakdown of the GLA’s expenditure aimed at decarbonising the GLA estate can be found in the climate budget measures tables included in the Mayor’s final consolidated budget 2026-27 (See Appendix 1, [Climate budget measures tables](#)). Table A sets out the ‘funded measures’ (projects where there is planned expenditure); and Table B sets out the ‘unfunded measures’ (potential projects that could be taken forward in the future, but are currently without planned expenditure).



**Figure 1** – Impact of funded and unfunded corporate decarbonisation programmes. The increase in 2016-17 is due to the opening of London Stadium.

Expenditure on London-wide programmes to support decarbonisation (formerly Level 2)

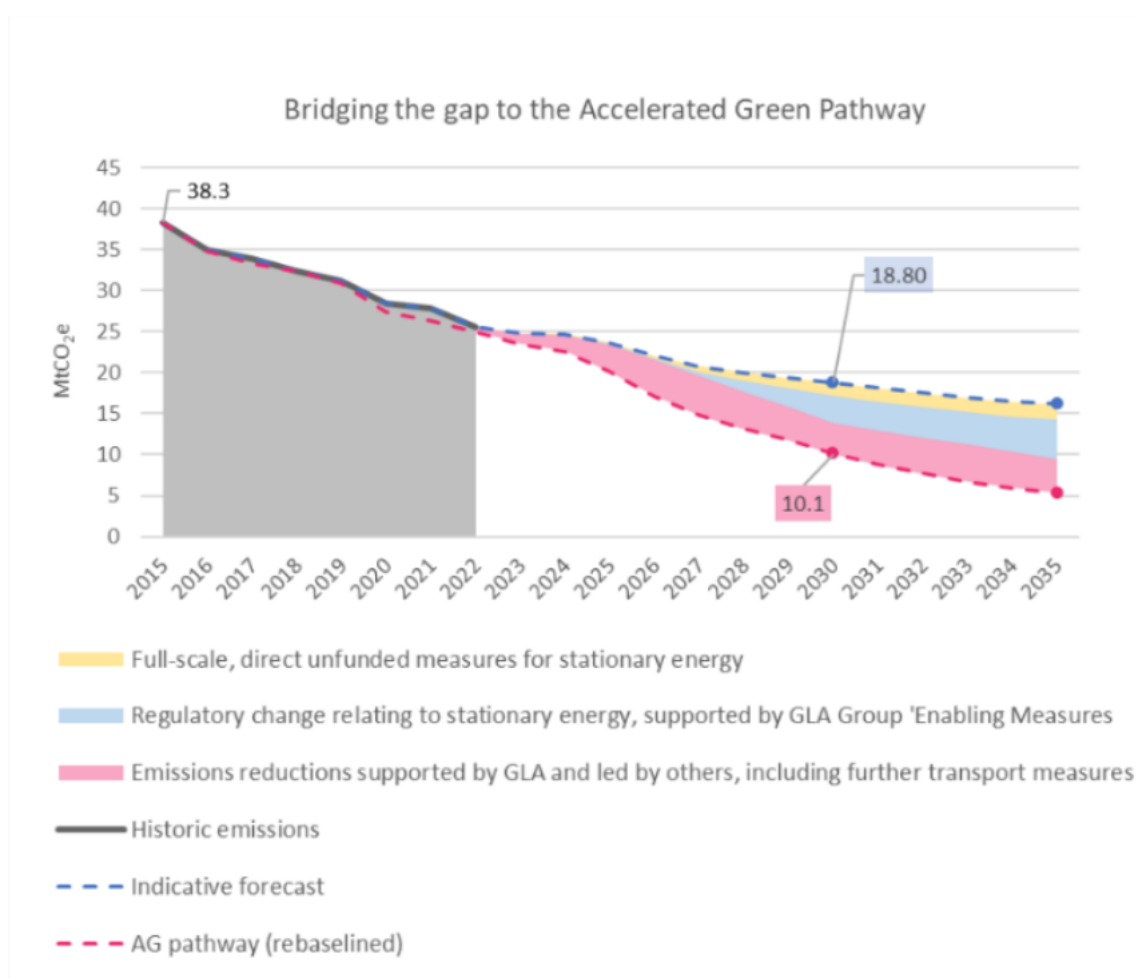
5. Our expenditure on London-wide programmes supports our partners (beyond the GLA’s own estate and operations) to adapt to a changing climate and accelerate carbon reduction. The Mayor’s Accelerated Green Pathway is an ambitious target for decarbonisation; it requires investment from central government, businesses, London boroughs and the GLA, as well as regulatory changes. The Climate Budget sets out both the funded and unfunded programmes in this category.
6. The total budget for programmes that contribute towards London-wide decarbonisation is estimated at £281.3 million over the next three years. Notable programmes include:
  - the Mayor’s £500 million GFF, which provides low-cost finance for public sector decarbonisation across London
  - the Zero Carbon Accelerator, which provides project development support to our partners
  - Warmer Homes London, which delivers domestic decarbonisation measures
  - the Mayor’s Greener Schools programme.

The full list of measures can be found in the climate budget measures tables included in the Mayor’s final consolidated budget 2026-27 ([Climate budget measures tables](#)).

7. As well as the Mayor’s funded measures to reduce London-wide emissions, last year’s 2025-26 budget identified, for the first time, additional unfunded programmes and initiatives 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. Figure 2, below, shows the gap between London’s indicative emissions trajectory without further significant funding and regulatory change; the Mayor’s preferred pathway “Accelerated Green”; and the extent to which these unfunded measures can close the gap.
8. The unfunded building measures focus on retrofit and switching away from fossil fuels in public sector buildings, social housing and schools, and increasing the uptake of solar energy. They were split into

two categories: full-scale and smaller-scale measures. Full scale measures represent the funding needed to deliver significant carbon reductions London-wide; and smaller-scale measures are pathfinding programmes. Estimates of their impact remain largely unchanged from last year. GLA staff estimate the full-scale measures would save 1.6 MtCO<sub>2</sub>e in 2030, relative to the indicative emissions forecast, with only existing measures and currently implemented policies in place (blue dashed line in Figure 2). These could cost £13 billion over the five years to the 2030-31 budget, whereas smaller-scale measures would cost £1.3 billion over this period. Any funding for these measures would be expected to come from a variety of public and private sector sources.

9. A significant proportion of emissions reductions to achieve the Mayor’s net-zero target needs to be driven by national regulatory change. Analysis by GLA staff<sup>2</sup> estimated that ambitious regulatory change – such as the phase-out of gas boilers from 2030, higher-energy efficiency standards for buildings and a net-zero electricity grid by 2030 – could further cut emissions by 3.3 MtCO<sub>2</sub>e per year by 2030.



**Figure 2** – Impact of unfunded London-wide measures and regulatory change on London’s indicative emissions trajectory. Source: GLA analysis.

10. Investment in London-wide programmes and initiatives to support decarbonisation delivers significant co-benefits to Londoners, including improving London’s existing housing and other buildings; supporting growth in green jobs; and lowering fuel bills. Implementing the unfunded measures and key regulatory changes from central government would result in an estimated £296 million in fuel savings in 2030, mainly in public buildings, social homes and fuel-poor homes. There are also estimated to be £437 million in avoided carbon costs in 2030; and approximately 32,000 jobs per year would be supported between 2025 and 2030. Avoided air-quality damage costs are estimated at £38 million between 2025 and 2030.

11. On climate adaptation, the GLA has few direct levers and must work with others to enable the level of change needed. The London Plan continues to mandate more climate-resilient buildings, and the Green Roots Fund will invest more than £12 million over three years to make neighbourhoods across the capital greener and more climate-resilient.
12. The full breakdown of the GLA's expenditure on London-wide programmes to support decarbonisation can be found in the climate budget measures tables included in the Mayor's final consolidated budget 2026-27 (Appendix 1, [Climate budget measures tables](#)). Table C sets out the 'funded measures' (programmes where there is planned expenditure) and Table D sets out the 'unfunded measures' (potential programmes that could be taken forward in the future, but are currently without planned expenditure).