

MDA No.: 1834

Title: The 2026-27 Greater London Authority Group Budget

1. Executive Summary

- 1.1 At the Budget and Performance Committee meeting on 26 January 2026 the Committee resolved that:

Authority be delegated to the Chairman, in consultation with party Group Lead Members, to agree any output arising from the meeting.

- 1.2 Following consultation with party Group Lead Members, the Chairman agreed the Committee's letter to the Mayor of London regarding the 2026-27 Greater London Authority Group Budget, as attached at **Appendix 1**.

2. Decision

- 2.1 **That the Chairman, in consultation with party Group Lead Members, agrees the Committee's letter to the Mayor of London regarding the 2026-27 Greater London Authority Group Budget, as attached at Appendix 1.**

Assembly Member

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Printed Name: Neil Garratt AM, Chairman of the Budget and Performance Committee

Date: 13 February 2026

3. Decision by an Assembly Member under Delegated Authority

Background and proposed next steps:

- 3.1 The terms of reference for this investigation were agreed by the Chairman, in consultation with relevant party Group Lead Members, under the standing authority granted to Chairs of Committees and Sub-Committees. Officers confirm that the letters and its recommendations fall within these terms of reference.
- 3.2 The exercise of delegated authority approving the letters will be formally noted at the Budget and Performance Committee's next appropriate meeting.

Confirmation that appropriate delegated authority exists for this decision:

Signature (Committee Services): *Hannah Barlow*

Printed Name: Hannah Barlow, Principal Committee Manager

Date: 29 January 2026

Financial Implications: NOT REQUIRED

Note: Finance comments and signature are required only where there are financial implications arising or the potential for financial implications.

Signature (Finance): Not Required

Printed Name:

Date:

Legal Implications:

The Chair of the Transport Committee has the power to make the decision set out in this report.

Signature (Legal): *Rebecca Arnold*

Printed Name: Rebecca Arnold, Deputy Monitoring Officer

Date: 13 February 2026

Email: rebecca.arnold@london.gov.uk

Supporting Detail / List of Consultees:

- Krupesh Hirani AM (Deputy Chairman)
- Zack Polanski AM
- Gareth Roberts AM

4. Public Access to Information

- 4.1 Information in this form (Part 1) is subject to the FoIA, or the EIR and will be made available on the GLA Website, usually within one working day of approval.
- 4.2 If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.
- 4.3 **Note:** this form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If yes, until what date:

Part 2 – Sensitive Information:

Only the facts or advice that would be exempt from disclosure under FoIA or EIR should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form? NO

Lead Officer / Author

Signature: *Gino Brand*

Printed Name: Gino Brand

Job Title: Senior Policy Advisor

Date: 29 January 2026

Countersigned by Executive Director:

Signature: *Helen Ewen*

Printed Name: Helen Ewen, Executive Director – Assembly Secretariat

Date: 13 February 2026

LONDON ASSEMBLY

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Neil Garratt AM
Chairman of the Budget and Performance Committee

Sir Sadiq Khan
Mayor of London
(Sent by email)

18 February 2026

Dear Sir Sadiq,

The Mayor's draft consolidated 2026-27 budget

I am writing to you on behalf of the Budget and Performance Committee, following its meeting on 26 January 2026. This is the seventh of a series of letters on your 2026-27 Budget proposals.

Your Draft Consolidated Budget was published on 15 January 2026 and included a total Greater London Authority (GLA) Group budgeted expenditure for 2026-27 of £22.7 billion.¹ This is an increase of £287 million from the Mayor's consultation budget in December, which was £22.4 billion.² This letter sets out the Committee's views on your 2026-27 Draft Consolidated Budget.

Oxford Street

The Oxford Street Development Corporation (OSDC) was established as a Mayoral Development Corporation (MDC) on 1 January 2026 under the Oxford Street Development Corporation (Establishment) Order 2025.³ The OSDC will assume its full statutory role as the Local Planning Authority for the Oxford Street Mayoral Development Area from 1 April 2026.

¹ P8, 2026-27 [Draft Consolidated Budget](#), 15 January 2025, based on the statutory calculation with any double counting removed

² P11, 2026-27 [Consultation Budget](#), 3 December 2025, based on the statutory calculation with any double counting removed

³ [MD3453 Decisions Relating to the Oxford Street Development Corporation | London City Hall](#)

The Draft Consolidated Budget includes net revenue expenditure of £18 million for OSDC in 2026–27.⁴ The Draft OSDC Budget also includes capital expenditure of £144 million between 2025–26 and 2030–31, which is needed to deliver your pedestrianisation programme and related public realm changes.⁵ During the meeting, you stated that the £144 million figure represents a “ball park” estimate for Oxford Street West, subject to consultation, further design work and the development of a business plan by the OSDC’s board and executive team. You also advised that the initial focus of the OSDC in 2026–27 will be on setting up the organisation, establishing the planning function, progressing initial public realm changes, building partnerships, and delivering an initial programme of events and activities.⁶

The Draft Consolidated Budget and Draft OSDC budget set out the capital funding for the first phase of the scheme. However, neither include indicative cost estimates for the later phases of the transformation of Oxford Street beyond 2030–31. Nor do the budgets set out how the Government’s housing delivery targets will be allocated between the Oxford Street Mayoral Development Area and the London Boroughs of Westminster and Camden, within which the MDC is located.

During the meeting, your Chief of Staff David Bellamy explained that:

“Like all MDCs, it will need a local plan. One of the things that the budget does is provide a little more funding for planning than it will get as a run rate in order to create that London Plan. Whether it is appropriate to set a housing target for its area or not is something that will be explored through that process.”⁷

Your Draft Consolidated Budget does not set out the anticipated timetable for the preparation and adoption of the OSDC Local Plan. We would appreciate further information on this point as set out in the recommendations below.

Recommendation 1: In response to this letter, the Mayor should set out when indicative cost estimates are expected to be available for later phases of the Oxford Street transformation, beyond the initial £144 million envelope.

Recommendation 2: In response to this letter, the Mayor should set out the anticipated timetable for the preparation and adoption of the Local Plan for Oxford Street Development Corporation. The Mayor should also clarify how and when housing delivery expectations and borough housing targets will apply within the Oxford Street Mayoral Development Area following the development of the Local Plan.

Policing

Your 2024 manifesto, *A Fairer, Safer, Greener London for everyone*, included a commitment to “work with a Labour government to put an extra 1,300 neighbourhood police officers and PCSOs [police community support officers] on the streets.”⁸ The Committee recognises the central importance that the Mayor and the Metropolitan Police Service (MPS) places on neighbourhood policing and the prominence of this commitment in your manifesto. The 2026–27 MOPAC Budget is based on total

⁴ P14, [2026–27 First Draft Consolidated Budget](#) 15 January 2026

⁵ OSDC, [Draft OSDC 2026–27 Budget](#), 15 January 2026

⁶ Budget and Performance Committee Meeting, [Transcript](#), 26 January 2026

⁷ Budget and Performance Committee Meeting, [Transcript](#), 26 January 2026

⁸ Sadiq Khan, [A fairer, safer, greener London for everyone](#), 18 April 2024

police officer numbers and PCSOs remaining stable throughout 2026-27 at 31,258 officers, 1,347 PCSOs and with non-police staff numbers assumed to remain 11,719. This compares with 33,888 police officers, 1,403 PCSOs and 10,884 non-police staff in May 2024, the date of the GLA elections.⁹

The Committee has previously considered the substance of this commitment, and how performance against it can be measured. In trying to clarify this, we have heard conflicting accounts of what the commitment means. The Budget and Performance Committee was told on 18 September 2025 that the baseline for this manifesto commitment is the 33,888 police officers and 1,403 PCSOs from May 2024.¹⁰ Jamilla Hinds-Brough, the GLA's Mayoral Head of Delivery confirmed at the meeting: *"that [33,888 police officers and 1,403 PCSOs] is the level that it was at in May 2024 at the time of the election, and that is what we are counting from."*¹¹

The Deputy Chief of Staff, Richard Watts, stated at the meeting that the target *"can be interpreted [as being] about some of the stuff we are doing with the MPS at the moment, about getting police officers out from behind desks and out into communities as well."*¹² He also said that: *"it was the London Labour Party that wrote the manifesto, not me, I am trying to interpret their words, but we have interpreted this as new officers."*¹³ Richard Watts told the Committee that:

*"The Mayor made the commitment he did. We continue to strongly lobby the Labour Government for the funding that we need. It is important that we are ambitious and set ourselves some clear targets, and we were very clear with the Government what we think the level of police funding is that London needs."*¹⁴

At the London Assembly Plenary on 13 November 2025, you confirmed that *"The promise was for 1,300 additional police officers or PCSOs."*¹⁵ However, when asked at the 10 December 2025 Budget and Performance Committee where the 2026-27 MOPAC Budget leaves the Mayor's commitment for 1,300 additional officers, the Deputy Mayor for Policing and Crime, Kaya Comer-Schwartz, stated:

*"In summary, on track. We know that we have been working throughout the year in terms of redeploying officers back to the front line of policing in neighbourhoods. We have an additional 500 officers back into neighbourhoods this year and we are working towards an additional 500 by the end of the year. We are just working towards making sure that the priority is neighbourhood officers through redeployment of those officers and the additional money from the Government to make sure we have that ability to uplift in that way."*¹⁶

This answer suggested that the manifesto commitment could be interpreted as a redeployment to Neighbourhood Policing from a smaller organisation instead of an increase in total numbers of police officers.

During the Budget and Performance Committee meeting on 26 January 2026 you appeared to confirm that your manifesto commitment relates to redeployment, rather than a net increase in total

⁹ MOPAC, [MOPAC budget submission 2026-27](#), P12, 21 November 2025

¹⁰ Budget and Performance Committee, [Mayor's 2024 Manifesto Commitments](#), 18 September 2025

¹¹ Budget and Performance Committee, [Mayor's 2024 Manifesto Commitments](#), 18 September 2025

¹² Budget and Performance Committee, [Mayor's 2024 Manifesto Commitments](#), 18 September 2025

¹³ Budget and Performance Committee, [Mayor's 2024 Manifesto Commitments](#), 18 September 2025

¹⁴ Budget and Performance Committee, [Mayor's 2024 Manifesto Commitments](#), 18 September 2025

¹⁵ London Assembly, [Policing in London](#), 13 November 2025

¹⁶ Budget and Performance Committee, [transcript](#), 10 December 2025

officer or PCSO numbers:

“By the end of this term, I would hope to see more neighbourhood police officers and Police Community Support Officers (PCSOs) in London. I hope to see the neighbourhood presence increase to 1,300 for 2026-27 [...] The promise was in relation to neighbourhood police officers in our communities. An example of the difference we have made in the last year is the MPS has managed to get 561 officers out from behind their desks on to our streets this year. That requires additional funding because the work that was taking place behind those desks still needs to be done. I do not think it should be done by warranted police officers [...] Already, over the course of 2025-26, we have managed to get 420 officers out into the neighbourhoods, 50 PCSOs out into the neighbourhoods. Over the course of this year, 2026-27, we will hope to get an additional 150 officers out into the neighbourhoods, and an additional 100 PCSOs out into the neighbourhoods. That will make a further difference to policing in our city.”¹⁷

This increase in the neighbourhood police officers in 2025-26 is against a background of an overall decrease of police officer numbers which are expected to fall to 31,258¹⁸ from 33,012 during 2025-26.¹⁹ It is important that the substance of this key manifesto commitment is clearly understood and that any baseline position from which changes in neighbourhood policing are being measured is clearly articulated.

The Committee would like to be clear on whether changes in deployment represent an increase in neighbourhood policing capacity from a reallocation of resources already working in the neighbourhood or from elsewhere in the MPS. We therefore request greater clarity on the baseline position, and on how changes in deployment are defined and measured. This would strengthen transparency and enable more effective scrutiny of progress on neighbourhood policing.

Recommendation 3: In response to this letter, the Mayor should clearly set out the basis of this manifesto commitment and a clear baseline for neighbourhood policing officers and PCSOs in May 2024 against which progress on his manifesto commitment can be measured. In his response the Mayor should clarify whether he expects the 1,300 extra neighbourhood officers referenced in his election manifesto to be *additional* police officers and PCSOs, or officers *redeployed* from other duties and what baseline is it to be measured against.

Transport

Buses

Bus passenger journeys in 2025-26 have fallen by 4.3 per cent compared with 2024-25, despite TfL anticipating growth of 0.1 per cent.²⁰ The Committee is concerned about the robustness of TfL's demand forecasts, and the risks to the funding required to operate the bus network in the context of declining ridership if this continues.

You advised the Committee that post-pandemic changes in travel behaviour continue to affect bus demand. David Bellamy, your Chief of Staff, also further explained that:

¹⁷ Budget and Performance Committee Meeting, [Transcript](#), 26 January 2026

¹⁸ MOPAC, [MOPAC budget submission 2026-27](#), 21 November 2025

¹⁹ MOPAC, [Q4 2024-25 Quarterly Report](#), May 2025

²⁰ TfL, [Finance Report Period 9 2025/26](#), 3 December 2025

“TfL says that there are about 20 or so different factors they have identified that can impact demand for buses. Two thirds of those are things that are essentially outside of TfL’s control, whether that is economic activity, change in employment mix, homeworking.”²¹

You made a reference about the potential role of TfL directly operating bus services, including in the context of future policy considerations about insourcing at the point of route retendering, noting that:

“...this is a chance to look at insourcing the running of our buses. One of the things that TfL is also looking into is a commuter benchmark by, for example, having a London bus company that runs these buses themselves...”²²

The Committee considers that any future shift in the balance between contracted and TfL-operated services should be informed by clear evidence on relative cost, performance, and passenger outcomes. We would welcome further information on the proposals that TfL is considering.

Recommendation 4: The Mayor should ask TfL to provide a briefing to the Committee describing its work on the potential development of a London bus company run by TfL, and any related initiatives. This should be provided by the end of 2026-27.

Step-free access

Increasing the number of London Underground stations with step-free access is a key part of TfL work to make our transport network more accessible to all Londoners. You have set out an ambitious target of making 50 per cent of London Underground stations step-free by 2030.²³

During the meeting, you stated: *“When I first became Mayor only a quarter of our Underground stations were step free. That has gone to a third and our target is to get half of our London Underground stations fully accessible.”*²⁴ You also noted that TfL has announced a shortlist of stations where feasibility studies are being undertaken to assess the deliverability of step-free access. This includes nine Tube stations, which, if they were to progress into delivery, would increase the number of step-free London Underground stations from 94 to around 103, or approximately 38 per cent of the network.²⁵

You further informed the Committee of TfL’s increased engagement with councils and developers, including through section 106 developer contributions, to explore additional funding sources to support funding for step-free access schemes.²⁶ The Draft Consolidated Budget states that in 2026-27 TfL is increasing investment in step-free schemes to progress its goals of halving step-free journey time across the network.²⁷ The Draft Consolidated Budget does not set out a timeline indicating the expected pace of delivery in the coming years. It is important to make this clear.

²¹ Budget and Performance Committee Meeting, [Transcript](#), 26 January 2026

²² Budget and Performance Committee Meeting, [Transcript](#), 26 January 2026

²³ [Step Free Tube Access](#)

²⁴ Budget and Performance Committee Meeting, [Transcript](#), 26 January 2026

²⁵ [Step-free access - Transport for London](#)

²⁶ Budget and Performance Committee Meeting, [Transcript](#), 26 January 2026

²⁷ GLA, [2026-27 First Draft Consolidated Budget](#), P21, 15 January 2026

Recommendation 5: The Mayor should set out, in response to this letter, an indicative delivery trajectory showing how progress towards the ambition for half of London Underground stations to be step-free will be monitored and reported.

We appreciate your attendance and engagement with the Budget and Performance Committee. I look forward to your response to this letter by **20 March 2026**.

Yours,

A handwritten signature in black ink, appearing to read 'Neil Garratt', is centered within a light gray rectangular box.

Neil Garratt AM

Chairman of the Budget and Performance Committee