

<b>Committee(s):</b> Police Authority Board	<b>Dated:</b> 12 February 2025
<b>Subject:</b> City of London Police Authority Board Revenue Budget 2025/26	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	1
<b>Does this proposal require extra revenue and/or capital spending?</b>	N/A
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> Town Clerk and Commissioner	<b>For Decision</b>
<b>Report author:</b> Alistair Cook, Chief Finance Officer Mark Paddon, Deputy Chief Finance Officer	

### Summary

This report presents for approval the proposed 2025/26 revenue budget for the City of London Police Authority Board (PAB), and for subsequent submission to the Finance Committee.

The proposed budget for 2025/26 is £1m net expenditure and has been prepared within the £1m Business Rates Premium envelope first allocated to the Police Authority Board in 2022/23.

### Recommendations

Members are asked to:

- Note the latest revenue budget for 2024/25; and
- Review and approve the Committee's proposed revenue budget for 2025/26 for submission to Finance Committee.

## Main Report

### Introduction

1. The Court of Common Council is the Police Authority for the Square Mile as set out in the City of London Police Act 1839. Under Section 56 of the Act, the Common Council delegated to the Police Authority Board all of its police authority functions (with the exception of the appointment of the Commissioner). The Board's role is to make sure the City of London Police runs an effective and efficient service by holding the Commissioner to account; to ensure value for money in the way the police is run, and to set policing priorities considering the views of the community.
2. This report sets out the proposed allocation of the £1m Police Authority Team budget for 2025/26. This ringfenced fund which has been allocated resources from the annual Business Rates Premium intake into the City of London Corporation.
3. The latest budget for 2024/25 and provisional original budget for 2025/26 is summarised in Table 1 below and further analysed in Appendix 1.

<b>Table 1 - Police Authority Board</b>	<b>Original Budget (OR) 2024/25 £000</b>	<b>Latest Budget 2024/25 £000</b>	<b>Original Budget (OR) 2025/26 £000</b>	<b>Movement 24/25 to 25/26 OR £000</b>
Net Expenditure	1,000	1,000	919	(81)
Support Services and Recharges	0	0	81	81
<b>Total Net Expenditure</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>

**Note:** Increases in expenditure or shortfalls income are shown as positive balances, whereas brackets are used to denote income, increases in income or reductions in expenditure.

### Latest Revenue Budget for 2023/24

4. Although the latest PAB budget remains unchanged at a net £1m, several key grant streams were announced during 2024/25 which are being managed through the outturn forecast. These include £1m of Hotspot Funding allocated to Police and Crime Commissioner's to tackle serious violence and anti-social behaviour and a £535k grant from the Government's Safer Streets Fund to facilitate a cross-borough 'bridge crime' initiative with the London Borough of Lambeth. These grant agreements will result in offsetting income and expenditure and will not impact the overall net budget position. It is not expected, however, that these grants will continue into 2025/26 and have been omitted from the 2025/26 budget below.

### Proposed Revenue Budget for 2025/26

5. The proposed revenue budget for 2025/26 is £1m and remains within the Business Rates Premium funding envelope agreed for this Committee in 2022/23. Further detail of how this budget has been allocated can be found in Appendix 1. Members

will note several variations within budget headings between 2025/26 and 2024/25 that are summarised as follows:

- £27k increase in staff costs due to the full year impact of the 4% pay award effective from 1 July 2024 and 2025/26 pay award assumption of 2%.
- (£208k) reduction in supplies and services expenditure due to the expectation that the Serious Violence Duty Home Office grant will cease with effect from 1 April 2025 which will result in a loss of £100k expenditure and associated income. There is also a reallocation of resources to formally recognise central support and recharges which have been previously omitted from the budget.

6. An analysis of the movement in staff related costs are also shown in Table 2 below:

Table 2 - Staffing Statement	Original budget 2024/25		Latest Budget 2024/25		Original Budget 2025/26	
	Staffing Full-time equivalent	Estimated cost £000	Staffing Full-time equivalent	Estimated cost £000	Staffing Full-time equivalent	Estimated cost £000
Police Authority Board Team	9.5	787	9.5	787	9.5	814

Note to Table 2: Line management responsibility for four individuals, totalling 2.5FTEs, sits outside of the control of the Director of the Police Authority Board.

7. The 2024/25 budget also included provision for a small grants programme to fund specific crime reduction initiatives in the City. Whilst it is expected that this will continue into 2025/26, the extend of funding will be subject to affordability constraints within other PAB priorities during 2025/26.

## Conclusion

8. The report presents the proposed Revenue budget for 2025/26 for consideration and approval by Members of this Committee.

## Appendices

Appendix 1 – Committee Summary Budget

## Appendix 1 Committee Summary Budget

Analysis of Service Expenditure	Actual	Original Budget (OR)	Latest Budget	Original Budget (OR)	Movement	Notes
	2023/24 £000	2024/25 £000	2024/25 £000	2025/26 £000	24/25 to 25/26 OR £000	
<b>EXPENDITURE</b>						
Employees	634	787	787	814	27	1
Transport Related Expenses	0	2	2	2	0	
Supplies and Services	130	311	311	103	(208)	2
Third Party Payments	128	0	0	0	0	
<b>Total Expenditure</b>	<b>892</b>	<b>1,100</b>	<b>1,100</b>	<b>919</b>	<b>(181)</b>	
<b>INCOME</b>						
Other Grants, Reimbursements and Contributions	(208)	(100)	(100)	0	100	3
Fees & Charges	(10)	0	0	0	0	
<b>Total Income</b>	<b>(218)</b>	<b>(100)</b>	<b>(100)</b>	<b>0</b>	<b>100</b>	
<b>TOTAL NET EXPENDITURE/(INCOME) BEFORE SUPPORT SERVICES AND RECHARGES</b>	<b>674</b>	<b>1,000</b>	<b>1,000</b>	<b>919</b>	<b>(81)</b>	
<b>SUPPORT SERVICES AND RECHARGES</b>						
Central Support	68	0	0	72	72	4
Capital Charges	0	0	0	9	9	
<b>Total Support Services and Recharges</b>	<b>68</b>	<b>0</b>	<b>0</b>	<b>81</b>	<b>81</b>	
<b>TOTAL NET EXPENDITURE/(INCOME)</b>	<b>742</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>0</b>	

### Notes:

- £27k increase in staff costs is due to the full year impact of the 4% pay award effective from 1 July 2024 and 2025/26 pay award assumption of 2%.
- (£208k) reduction in supplies and services expenditure mainly due to the expectation that the Serious Violence Duty Home Office grant will cease with effect from 1 April 2025 which will result in a loss of £100k expenditure.
- £100k reduction income associated with the cessation of the Serious Violence Duty grant.
- £81k increase in central support and recharges (Guildhall Complex £13k, DITs £36k, Support Services £23k and capital charges 39k)