Committee(s): Policy and Resources Committee	**Dated:** 08/05/2025
Subject: Policy and Resources Contingency/Discretionary Funds	**Public**
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	All
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	£0
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Chamberlain	**For Decision**
Report Author: Geraldine Francis - Chamberlain	

Summary

This report provides the schedule of projects and activities which have received funding from the Policy Initiatives Fund (PIF) and the Policy and Resources Committee's Contingency Fund for 2025/26 and future years with details of expenditure in 2025/26. The balances remaining for these Funds for 2025/26 and beyond are shown in the Table below. These figures include the uncommitted and unspent 2024/25 balances as shown in Paragraphs 1 and 2.

Fund	2025/26 Balance Remaining after Approved Bids £	2026/27 Balance Remaining after Approved Bids £	2027/28 Balance Remaining after Approved Bids £	2028/29 Balance Remaining after Approved Bids
Policy Initiative Fund	1,557,106	958,900	1,200,000	1,200,000
Policy & Resources Contingency	429,692	300,000	300,000	300,000

Recommendation(s)

Members are asked:

- To note the report and contents of the schedules.
- Approve the 2024/25 unallocated balances on your Committee's PIF and Contingency Funds as well as Departments request for unspent allocations to be carried forward into 2025/26. Noting a further part in the process is set out in paragraph 16.

- Whilst the overall 2025/26 PIF uncommitted balance currently stands at £1,557,106, the amount available for multiyear bids is over by £39,100, as shown in Paragraph 17. The available balance for 2025/26 Committee Contingency is £429,692.

  Agree to increase the 2025/26 multiyear PIF cap by £39,100 from the 2025/26 Committee Contingency for the Proposal for Development of a City Business Investment Unit (CBIU) bid of £221,100 for both 2025/26 and 2026/27 as approved in February 2025's Committee. At this time, the 2025/26 uncommitted multiyear bid was only £182,000.

Main Report

Background

1. As there was no Committee in March 2025 due to the Elections, Members are now being asked to approve to carry forward the uncommitted balances on the PIF and Committee Contingency Funds into 2025/26 as has historically occurred. The Table below shows the level of the 2024/25 closing position of uncommitted funds.

Fund	Current Uncommitted 2024/25 Balance
Policy Initiative Fund	£996,206
Policy & Resources Contingency	£129,692
Total	**£1,125,898**

2. Members are also asked to approve to carry forward the unspent allocation on both PIF and Committee Contingency Funds into 2025/26 as requested by Departments. The Table below shows the current unspent allocations at the end of 2024/25.

Fund	Current Unspent Allocation 2024/25
Policy Initiative Fund	£332,335
Policy & Resources Contingency	£261,143
Total	**£593,478**

3. On the basis of Committee's concerns of the operations of the PIF/Contingency Funds, the Policy was refreshed and ratified by Policy & Resources Committee on 14 December 2023. A policy briefing was held on 17 January 2024 to support regular report authors with these new policy requirements.

4. The Policy Initiatives Fund (PIF) should be used to fund projects and initiatives identified during the year which support the City Corporation's overall aims and objectives, or policy priorities identified by the Policy & Resources Committee.

5. The Committee Contingency Fund is used to fund unforeseen one-off items of expenditure when no specific provision exists within the Policy Committee's budget.

6. There is no specification for the *type* of project in scope but has historically included items relating to a specific initiative, e.g. research, funding for external bodies in support of the City's overall objectives, and membership of national think tanks. All applications should make clear what specific activity funding it will be used for and should set out the standard information specified in the Policy to enable Members to take an informed decision.

7. All applications should be discussed informally before submitting with the Head of the Policy Unit, Office of the Policy Chairman, Town Clerk's Department and the Assistant Director (Strategic Finance), Chamberlain Department.

8. To restrict the depletion of funds in future years, a two-year time limit is in place on multiyear PIF bids, with three years being an option by exception. To ensure prioritisation within the multiyear bids, the PIF from the financial year 2019/20 and onwards has £600k of its total budget put aside for multiyear bids with the rest set aside (£600k) for one off allocations, with the option to 'top up' the multiyear allocation from the contingency balance if Members agree to do so. This will ensure that there should always be enough in the PIF to fund emerging one-off opportunities as they come up.

9. Departments must complete a standardised progress update form biannually and at the end of the Initiative for all awards.

10. When a PIF bid has been approved there should be a reasonable amount of progress/spend on the works/activities within 18 months of approval which allows for slippage and delays. If there has not been enough spend/activity within this timeframe, Members will be asked to approve that the remaining allocation be returned to the Fund where it can be utilised for other works/activities.

11. Where no expenditure has been made within 12 months, a report should be brought back to the Policy & Resources Committee by officers to request reprofiling of funds.

12. If the Department requires funding for the same works/activities again at a later date, the funding must be re-bid for. If there is a legitimate reason, out of the Department's control, which has caused delays, it is recommended that these are reviewed by Committee as needed.

13. Officers must gain the approval of the Policy and Resources Committee prior to repurposing any PIF/Contingency Initiatives.

14. It is expected that recurrent expenditure is covered by local risk budgets through the budget setting process unless extenuating circumstances.

Current Position

15. Appendices 1 to 2 list committed projects and activities approved by this Committee for the current and future financial years with the remaining balances available for the PIF (Appendix 1) and your Committee's Contingency (Appendix 2).

16. The balances that are currently available in both the Policy Initiatives Fund and Committee Contingency Fund for 2025/26 are shown in the Table below. These amounts include uncommitted balances from 2024/25 of £996,206 and £129,692 for PIF and Committee's Contingency respectively. The 2024/25 unspent allocations Departments have requested to be carried forward for spending in 2025/26 are also included in the figures below. However, carry forwards are yet to be approved. This approval process is delegated to Chamberlains in consultation with the Chair and Deputy Chair of the Resource Allocation Sub Committee (RASC).

Fund	2025/26 Opening Balance £	2025/26 Approved Bids £	2025/26 Balance Remaining after 2025/26 Approved Bids £	2025/26 Pending Bids £	2025/26 Balance Remaining after 2025/26 Pending Bids £
Policy Initiative Fund	2,528,541	(971,435)	1,557,106	(31,000)	1,526,106
Policy & Resources Contingency	690,835	(261,143)	429,692	0	429,692

17. The remaining multiyear allocation is shown in the Table below with details, as shown in Appendix 1, prior to any allowances being made for any other proposals on today's agenda. It should be noted that the multiyear allocation for 2025/26 is now depleted.

18. The report recommends increasing the multiyear allocation for 2025/26 from P&R Contingency by £39,100, which would reduce the P&R Contingency balance to £390,592.

	2025/26	2026/27	2027/28	2028/29
Balance remaining of Multiyear PIF allocation	-£39,100	£308,900	£600,000	£600,000

Corporate & Strategic Implications

19. Strategic implications – Although each PIF application has to be judged on its merits, the application must include how the item will advance either:
    a) A policy lead area defined by this Committee
    b) Another Committee priority
    c) A Corporate Plan outcome
    d) Promotion of the City or City's role in London or nationally

20. Financial implications – Each PIF application should be approved on a case by case basis and Departments should look to local budgets first before seeking PIF approval, with PIF requests only being submitted if there is no funding within local budgets available.

21. Resource implications – None

22. Legal implications – None

23. Risk implications – None

24. Equalities implications – None

25. Climate implications – None

26. Security implications – None

Appendices

- Appendix 1 – PIF 2025/26 and Future Years
- Appendix 2 – P&R Contingency 2025/26 and Future Years

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