

## City of London Corporation Committee Report

|  |                                    |
|--|------------------------------------|
| <b>Committee(s):</b><br>Finance Committee – For decision   | <b>Dated:</b><br>09/12/2025        |
| <b>Subject:</b><br>Finance Committee Operational Budget Estimate 2025/26   | <b>Public report:</b> For Decision |
| <b>This proposal:</b><br><ul style="list-style-type: none"> <li>provides business enabling functions</li> </ul>                                  | N/A                                |
| <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><br>The Chamberlain, The Town Clerk, The City Surveyor, The Remembrancer, and The Director of Community and Children's Services |                                    |
| <b>Report author:</b><br>Dawit Araya, Chamberlain's Department   |                                    |

### Summary

This report is the annual submission of the revenue budgets in relation to the operational services directly overseen by your committee. It is asking Members to note the budget for 2025/26 and approve the proposed revenue budget for 2026/27.

The 2026/27 proposed budget totals £73.783m, up £5.239m (7.6%) from the 2025/26 budget of £68.544m. The main changes are:

- An increase in City Surveyor Repairs & Maintenance, mainly relating to agreed Cyclical Work Programme backlog of works at Guildhall (£5.539m).
- An increase to Insurance Premium (£1.849m).
- A net increase of 3% has been applied to account for inflation (£1.317 million).
- Partly offset by a net decrease of £3.466m comprising £2.532m, removal of one-off contingency and carry forward funds, £0.564m Central and Capital Recharges and £0.370m net other movements.

The overall budget is summarised by Chief Officer in the following table.

|   | <b>Budget<br/>2025/26</b> | <b>Estimate<br/>2026/27</b> | <b>Movement<br/>2025/26<br/>Budget to<br/>2026/27<br/>Estimate</b> |
|---|---------------------------|-----------------------------|--|
| <b>Summary Revenue Budgets 2025/26 and 2026/27 -<br/>by Chief Officer</b> | <b>£'m</b>                | <b>£'m</b>                  | <b>£'m</b>   |
| <b>Local Risk</b>   |                           |                             |  |
| The Chamberlain   | 17.060                    | 16.961                      | (0.099)  |
| The Deputy Town Clerk   | 4.094                     | 3.342                       | (0.752)  |
| The City Surveyor   | 14.832                    | 21.194                      | 6.362  |
| The Remembrancer  | 0.204                     | (0.559)                     | (0.763)  |
| <b>Total Local Risk</b>   | <b>36.190</b>             | <b>40.938</b>               | <b>4.748</b>   |
| <b>Central Risk</b>   |                           |                             |  |
| The Chamberlain   | 20.265                    | 20.809                      | 0.544  |
| The Deputy Town Clerk   | 1.557                     | 1.533                       | (0.024)  |
| The City Surveyor   | 4.751                     | 5.251                       | 0.500  |
| The Remembrancer  | 0.192                     | 0.192                       | 0.000  |
| Director of Community & Children's Services                               | 0.252                     | 0.072                       | (0.180)  |
| <b>Total Central Risk</b>   | <b>27.017</b>             | <b>27.857</b>               | <b>0.840</b>   |
| <b>Capital and Support Services</b>                                       | <b>5.337</b>              | <b>4.988</b>                | <b>(0.349)</b>   |
| <b>Committee Total</b>  | <b>68.544</b>             | <b>73.783</b>               | <b>5.239</b>   |

Figures in brackets indicate income, decrease in expenditure or increase in income.

Your committee's approved capital budgets are detailed at Appendix 7 and are shown for information as they will be included in the overall published budget books.

### Recommendations

Members are asked to:

- i) Note the Budget for 2025/26.
- ii) Review and approve the Estimate for 2026/27.
- iii) Note the approved capital and supplementary revenue budgets.
- iv) Agree that minor amendments for the 2026/27 Estimate arising from changes to recharges or for any further implications arising from energy price increases and other reviews and changes to the capital charges during budget setting are delegated to the Chamberlain.

### Main Report

#### Background

1. The number and range of services managed by the Finance Committee results in a complex presentation. Therefore, this report focuses on the bigger picture to aid clarity.
2. An overview of the services provided can be found in Appendix 1.

#### Estimate for 2026/27

3. This report requests approval of the 2026/27 estimate concerning the operational services overseen by your committee. A summary of the overall budget is presented in Appendix 2, while Appendix 5

details the movement between the budget 2025/26 and the proposed 2026/27 budget.

## **Assumptions**

4. The estimate for 2026/27 incorporates a 3% adjustment for inflation to the net local risk budgets for pay, non-pay and income. The pay award for July 2025 has been approved at 3.2% which is 1.2% above the budgetary provision. Members are to note any increase above the 2% pay inflation allocated for 2025/26 will need to be met through savings within Chief Officers local risk budgets. Any pay adjustment for 2026/27 has yet to be decided. This has therefore not been reflected in this budget.
5. Members should note this report does not include forecast energy price increases for the 2026/27 financial year, other than the 3% budgetary inflation allowed.

## **Budget 2025/26 and Estimate 2026/27**

6. The 2026/27 estimate totals £73.783m, an increase of £5.239m (7.6%) compared to the budget for 2025/26. The main reasons for this increase are:
  - i) An increase in City Surveyor Cyclical Works Programme (CWP) £5.539m already approved by Court of Common Council. The budget increase reflects the planned work undergoing at Guildhall.
  - ii) A net increase in insurance premiums of £1.849m This increase reflects the actual increase in premiums since original budget was set plus allowance for a further increase expected when the contract is re-tendered.
  - iii) A net 3% inflation increase of £1.317m in accordance with Resource Allocation Sub-Committee guidelines.Partly offset by:
  - iv) A net decrease of £3.466m due to the removal of one-off contingency and carry forward funds (£2.532m), an updated allocations for Central (£406k) and Capital Recharges (£158k) and net other movements (£0.370m).
7. An analysis of the movement by service from the budget for 2025/26 to the budget for 2026/27 is included in Appendix 5.
8. Appendix 4 contains an analysis of the budget movement, detailing the submissions to the committee, the progression toward the agreed budget 2025/26, and the development leading to the final estimate 2026/27.

## **Potential Further Budget Adjustments**

9. The provisional nature of the 2025/26 Estimate recognises that further revisions may be required to realign funds for:
  - i) Changes to central and departmental support services apportionment as a result of the agreement of the estimates for these services (no changes are at present anticipated); and
  - ii) As noted in paragraph 5, the 2026/27 estimate excludes projected energy price increases for that year. A separate provision will be allocated as needed, if the Chamberlain assesses that energy cost inflation cannot be managed within local risk budgets.
  - iii) Civic Affairs Committee have requested an extra £98k to fund committee dinners. This is subject to approval by RASC and will be incorporated into the 2026/27 budget if agreed.

## Staffing Statement

10. A summary staffing statement is set out in the following table.

| Finance Committee<br>Operational Services<br>staffing statement by Chief<br>Officer | Budget 2025-26                      |                            | Estimate 2026-27                    |                         |
|---|-------------------------------------|----------------------------|-------------------------------------|-------------------------|
|   | Staffing<br>Full-time<br>equivalent | Estimated<br>cost £m<br>£m | Staffing<br>Full-time<br>equivalent | Estimated<br>cost<br>£m |
| Chamberlain   | 227.5                               | 16.38                      | 217.3                               | 16.547                  |
| Deputy Town Clerk   | 4.0                                 | 0.468                      | 7.0                                 | 0.554                   |
| Surveyor  | 156.0                               | 7.918                      | 153.0                               | 7.344                   |
| Remembrancer  | 19.0                                | 1.728                      | 18.0                                | 1.916                   |
| Community & Children's<br>Services  | 1.1                                 | 0.032                      | 0.7                                 | 0.039                   |
| <b>TOTAL FINANCE<br/>COMMITTEE</b>  | <b>407.6</b>                        | <b>26.526</b>              | <b>396.0</b>                        | <b>26.400</b>           |

Reduction in staff numbers is attributed to Apprentice which now are funded centrally

## Draft Capital and Supplementary Revenue Project budgets for 2026/27

11. The latest estimated costs of the Committee's approved capital and supplementary revenue projects total £9.809m, with a breakdown presented at Appendix 6.

## Appendices

- Appendix 1 - Operational Service Overview.
- Appendix 2 - Finance Committee Operational Services 2025/26 and 2026/27 Summary Budget
- Appendix 3 – Finance Committee Operational Services 2025/26 and 2026/27 Summary Budget – by Risk, Fund and Chief Officer
- Appendix 4 –Summary of Budget Movements from 2025/26 budget to 2026/27 Estimate (cash limit)
- Appendix 5 – Movement from 2025/26 Budget to 2026/27 Estimate
- Appendix 6 – Capital and Supplementary Revenue Project budgets

## Contact

### Dawit Araya

Finance Business Partner  
Chamberlain's Department  
E :dawit,araya@cityof london.gov.uk

### John James

Head of Finance  
Chamberlain's Department  
E:john.james@cityoflondon.gov.uk

## OPERATIONAL SERVICE OVERVIEW

### **Chamberlain**

#### **City Fund**

#### **Cost Of Collection**

The Cost of Collection reflects the expenditure incurred in the administration and collection of the Non-Domestic Rates, the Council Tax and Benefits Administration.

#### **City's Cash**

#### **Chamberlain's Court**

The main duties of Chamberlain's Court include assisting the Chamberlain to admit persons to the Freedom of the City; to help in the formation of new Livery Companies; and to maintain the Mansion House Plate Inventory.

#### **Gresham - City Moiety**

This includes the City's share of the income from the Royal Exchange, 89/91 Gresham Street and Gresham House annuity. It also shows the City's share of the expenses of running the Gresham Estate.

#### **Gresham - Discretionary Expenditure**

This principally consists of the grant to Gresham College, the non-mandatory elements of the Lecturer's fees and administrative costs.

#### **Guildhall Administration**

Within Guildhall Administration the Chamberlain's Department provides a wide range of financial services.

The department is organised into the Financial Services Division, Corporate Treasury, Shared Services, Internal Audit and Business Support.

The work of the department (except for Cost of Collection and the Chamberlain's Court which are summarised in the notes above) are explained below.

#### **Chamberlain's Department – General**

The services provided by the **Financial Services Division**:

- Revenue and capital budget preparation and financing
- Budget monitoring and financial advice
- Accounting and final accounts
- Medium-and longer-term financial planning and technical analysis
- Cash flow reporting
- Strategic financial advice on major projects
- Capital project appraisal
- Business partnering
- Support to corporate governance
- Oracle System Team

The services provided by **Corporate Treasury**:

- Financial Investment and treasury management

- VAT/tax planning
- Banking
- Financial appraisal of organisations
- Insurance

The services provided by **Financial Shared Services Division**:

- Business Rates Billing and Collection
- Business Improvement Districts Billing and Collection
- Council Tax Billing and Collection
- Miscellaneous Income Billing and Collection
- Property Rent and Service Charge Billing and Collection
- Housing Benefit Administration
- Council Tax Reduction Support Administration
- Accounts Payable
- Accounts Receivable

The services provided by **Internal Audit**:

- Independent and objective assurance through the delivery of a programme of Internal Audit reviews and advice and guidance
- Counter Fraud and Investigations

## **Strategic Aims**

As part of Chamberlain's transformation programme a new strategic vision has also been built with all colleague's feedback being taken into consideration/implemented before finalising. This has been built on six pillars as follows:

- 1. Stewardship**  
Enable financial sustainability and manage risk through leadership on financial control, governance and assurance
- 2. Empowering**  
Empowering team members to excel through a focus on wellbeing, professional development and leadership
- 3. Trusted Partner**  
Create value and drive impact through strategic advice, ceremonial duties and professional insight as trusted advisors
- 4. Partnership Working**  
Deliver in partnership with customers and each other as a professional Chamberlain's community
- 5. Commercial**  
Champion value for money, develop opportunities and embed commercial practices in support of the communities we serve
- 6. Digital First**  
Look to the future, embrace technology and continuously improve through innovation and adaptation

## **Commercial Department**

The Commercial Department is a key component in the transformation of how the City procures and pays for the goods and services it needs. The Commercial Service provides professional expertise and leadership to ensure Corporation commercial relationships deliver innovative,

high-quality, value for money services and responsible outcomes. Functions include strategic sourcing, category and contract management, responsible procurement, policy and assurance and key supplier performance monitoring.

### **Deputy Town Clerk**

#### **City's Cash Shrieval**

##### **Support**

This budget contains the salaries and office expenses of the Shrieval Support at the Central Criminal Court.

##### **Mansion House Premises**

This budget includes the maintenance and running expenses of the Mansion House, which is a Grade 1 Listed Building incorporating working offices, function rooms, Mayoral accommodation and staff accommodation. The budget is used for the fabric of the building both internal and external.

**Corporate Services** – This includes:

- the cost of catering in respect of Committee lunches.
- the Sheriff's election allowances.
- the cost of Shrieval mementos; and
- a proportion of ward and election expenses.

### **City Surveyor**

#### **City Fund**

##### **Central Criminal Court**

The City provides the premises of the Central Criminal Court for the Court Service of the His Majesty's Courts and Tribunal Services (HMCTS) and accommodates not only the eighteen courts, but also offices for the Crown Prosecution Service, Treasury Council, the Crown Court Witness Service, HMCTS List Office and Judiciary Clerks and Ushers, Coroner's Court, Coroner's and Coroner's staff offices, Probationary Service Offices, Mental Health Services Office, Press Office, City of London Police and Met Police administration Office and the Sheriff and Recorder's fund administration office.

The eighteen courts are made ready for use on Monday to Friday and may be required to sit on public holidays and weekends.

The City is responsible for the care of the building and the provision of its facilities which includes the maintenance of the fabric of the Central Criminal Court, its furnishing, fittings and all the mechanical and electrical equipment, the daily cleaning of the building and the provision of security services.

A proportion of the employee costs and 95% of other running costs are reimbursed by HMCTS.

##### **Walbrook Wharf**

This budget relates to the operational management of Walbrook Wharf including repairing, maintaining and renewing the building and services.

## **Mayors and City of London Court**

The provision of the present court, which is an amalgamation of the Mayor's Court and the City of London Court, is covered by the Courts Act 1971. The City Surveyor is responsible for repairing and maintaining the building and its services for use as a court. This is achieved through a combination of direct ordering, and supervision and management of contractors. Occupational issues are dealt with in consultation with the Court Service.

## **City's Cash**

### **Central Criminal Court**

This consists of the salaries, pensions and national insurance contributions for the posts of The Recorder of London and Common Serjeant.

### **Guildhall Complex**

The Guildhall Manager has overall responsibility for security, facilities and contracted services at the Guildhall complex and is responsible for operating, repairing, maintaining and renewing buildings and services throughout the Guildhall complex. This is achieved through a combination of direct operations, and supervision and management of contractors. The emphasis is on value for money, quality and safety, with precise arrangements being regularly reviewed and refined to optimise performance. Capital projects are undertaken for significant Guildhall complex improvements.

## **Remembrancer**

## **City's Cash**

### **Corporate Services**

This includes the cost of catering in respect of Committee Hospitality Allowances. The purpose is to enable committees, by means of hospitality, to establish and maintain contact with leading outside organisations that have been or could be of assistance to the City of London Corporation in its work, and to pay tribute to the past Chairman. Also included is the City's Event programme, this is agreed by members and can include faith events, National commemorations/celebrations, receptions and banquets. These estimates also include expenditure relating to fees for parliamentary work.

### **Guildhall Complex**

This contains the expenditure and income relating to the letting of Guildhall function areas for private events such as banquets, receptions or conferences. The areas available for hire currently are the Great Hall, the Old Library, the Livery Hall, the Crypts, the Print Room, the Chief Commoners Parlour, Guildhall Art Gallery, the Basinghall Suite and occasionally, Guildhall Yard.

As the Guildhall, Great Hall is a Grade 1 Listed Building, use is limited and subject to strict terms and conditions. Permission to hire is granted following Officer recommendation and Member approval. Applications are considered directly by the Policy and Resources Committee for the hire of the Great Hall and by the Chair of the Civic Affairs Sub- Committee and Chief Commoner. The Guildhall complex hosts approximately 300 private events per annum and charges are reviewed annually by committee.



## **Director of Community and Children's Services**

### **City's Cash**

#### **Gresham - Mandatory Expenses**

This service is part of Gresham Estates and shows the cost of maintaining the Almshouses and paying the Alms folk allowances, together with the mandatory element of the City of London Corporation's four Lecturers' fees (£400).

### Finance Committee Operational Services Summary Budget

This appendix shows a high-level summary of Finance Committee operational services budgets. Further details are shown in Appendices 3 to 5.

|   | <b>Budget<br/>2025/26<br/>£m</b> | <b>Estimate<br/>2026/27<br/>£m</b> |
|---|----------------------------------|------------------------------------|
| <b>Summary Revenue Budgets<br/>2025/26 and 2026/27 - by Chief Officer</b> |                                  |                                    |
| <b>Local Risk</b>   |                                  |                                    |
| The Chamberlain   | 17.060                           | 16.961                             |
| The Deputy Town Clerk   | 4.094                            | 3.342                              |
| The City Surveyor   | 14.832                           | 21.194                             |
| The Remembrancer  | 0.204                            | (0.559)                            |
| <b>Total Local Risk</b>   | <b>36.190</b>                    | <b>40.938</b>                      |
|   |                                  |                                    |
| The Chamberlain   | 20.265                           | 20.809                             |
| The Deputy Town Clerk   | 1.557                            | 1.533                              |
| The City Surveyor   | 4.751                            | 5.251                              |
| The Remembrancer  | 0.192                            | 0.192                              |
| Director of Community and Children's Services                             | 0.252                            | 0.072                              |
| <b>Total Central Risk</b>   | <b>27.017</b>                    | <b>27.857</b>                      |
| <b>Capital and Support Services</b>                                       | <b>5.337</b>                     | <b>4.988</b>                       |
| <b>Committee Total</b>  | <b>68.544</b>                    | <b>73.783</b>                      |

The Operational Services budgets cover expenditure and incomes attributable to the following areas;

- i) **Chamberlain's Department** – the operational services including Cost of Collection (business rates and council tax), Chamberlain's Court, Chamberlain's 'General' (Financial Services, incorporating Insurance and City Revenues), Chamberlain's Business Support, Internal Audit and Commercial Department.
- ii) **The Deputy Town Clerk** – Shrieval Support, the maintenance and running expenses of Mansion House and Corporate Services (including catering for Committee lunches);
- iii) **The City Surveyor** – the Guildhall Complex, the Central Criminal Court, Walbrook Wharf and the Mayor's Court.
- iv) **The Remembrancer** – the letting of Guildhall areas for private functions and events and the cost of catering in respect of committee hospitality.
- v) **Director of Community Services** – operation of the Gresham Almshouses.

# Appendix 3

## Finance Committee Operational Services - by Risk, Fund and Chief Officer

| FINANCE COMMITTEE SUMMARY - BY RISK   |                           |  |  |
|---|---------------------------|--|--|
| Analysis of Service Expenditure by Risk   | Budget<br>2025-26<br>£000 | Estimated<br>Budget<br>2026-27<br>£000 | Movement Budget<br>2025-26<br>to Estimate<br>2026-27<br>£000 |
| <b>LOCAL RISK</b> (budgets largely within direct control of Chief Officer)  |                           |  |  |
| <b>EXPENDITURE</b>  |                           |  |  |
| Employees   | 26.526                    | 26.400                                 | (0.126)  |
| Premises Related Expenses (note i)  | 6.944                     | 8.045                                  | 1.101  |
| Transport Related Expenses  | 0.074                     | 0.044                                  | (0.030)  |
| Supplies & Services (note ii)   | 3.628                     | 3.381                                  | (0.247)  |
| Savings to be applied   | 0.425                     | 0.169                                  | (0.256)  |
| <b>Total Expenditure</b>  | <b>37.597</b>             | <b>38.039</b>                          | <b>0.442</b>   |
| <b>INCOME</b>   |                           |  |  |
| Grants, Reimbursements & Contributions (note iii)   | (5.265)                   | (5.797)                                | (0.532)  |
| Customer, Client Receipts (note iv)   | (4.022)                   | (4.723)                                | (0.701)  |
| <b>Total Income</b>   | <b>(9.287)</b>            | <b>(10.520)</b>                        | <b>(1.233)</b>   |
| <b>TOTAL LOCAL RISK (excl. R&amp;M City Surveyor)</b>   | <b>28.310</b>             | <b>27.519</b>                          | <b>(0.791)</b>   |
| <b>Repairs &amp; Maintenance (City Surveyor)</b>  | <b>7.880</b>              | <b>13.419</b>                          | <b>5.539</b>   |
| <b>TOTAL LOCAL RISK</b>   | <b>36.190</b>             | <b>40.938</b>                          | <b>4.748</b>   |
| <b>CENTRAL RISK</b> (managed by Chief Officer but outturn can be strongly influenced by factors outside his/her control or are budgets of a corporate nature) |                           |  |  |
| <b>EXPENDITURE</b>  |                           |  |  |
| Employees   | 1.195                     | 0.670                                  | (0.525)  |
| Premises Related Expenses (note v)  | 27.430                    | 29.206                                 | 1.776  |
| Transport Related Expenses (note vi)  | 0.175                     | 0.204                                  | 0.029  |
| Supplies & Services (note vii)  | 4.561                     | 4.062                                  | (0.499)  |
| Council Tax reduction scheme  | 0.456                     | 0.456                                  | 0.000  |
| Contingency   | 0.019                     | 0.010                                  | (0.009)  |
| Transfer Payments   | 0.014                     | 0.014                                  | 0.000  |
| <b>Total Expenditure</b>  | <b>33.850</b>             | <b>34.622</b>                          | <b>0.772</b>   |
| <b>INCOME</b>   |                           |  |  |
| Government Grants - Collection of NNDR  | (1.729)                   | (1.729)                                | 0.000  |
| Other Grants, Reimbursements & Contributions (note viii)  | (2.044)                   | (1.969)                                | 0.075  |
| Customer, Client Receipts (note ix)   | (3.060)                   | (3.067)                                | (0.007)  |
| <b>Total Income</b>   | <b>(6.833)</b>            | <b>(6.765)</b>                         | <b>0.068</b>   |
| <b>TOTAL CENTRAL RISK</b>   | <b>27.017</b>             | <b>27.857</b>                          | <b>0.840</b>   |
| <b>TOTAL EXPENDITURE BEFORE SUPPORT SERVICES AND CAPITAL CHARGES</b>  | <b>63.207</b>             | <b>68.795</b>                          | <b>5.588</b>   |
| <b>CONTINUED ON NEXT PAGE</b>   |                           |  |  |

| CONTINUED FROM PREVIOUS PAGE                      |               |               |                |
|---|---------------|---------------|----------------|
| <b>SUPPORT SERVICES AND CAPITAL CHARGES</b>       |               |               |                |
| Central Support Services                          | 3.619         | 3.176         | (0.443)        |
| Capital Charges                                   | 3.887         | 3.981         | 0.094          |
| Recharges Within Fund                             | (2.109)       | (2.109)       | 0.000          |
| Recharges Across Funds                            | (0.060)       | (0.060)       | 0.000          |
| <b>Total Support Services and Capital Charges</b> | <b>5.337</b>  | <b>4.988</b>  | <b>(0.349)</b> |
| <b>TOTAL NET EXPENDITURE</b>                      | <b>68.544</b> | <b>73.783</b> | <b>5.239</b>   |

|                              |               |               |              |
|------------------------------|---------------|---------------|--------------|
| <b>ANALYSIS BY FUND</b>      |               |               |              |
| City Fund                    | 8.575         | 9.351         | 0.776        |
| City's Cash                  | 7.350         | 6.463         | (0.887)      |
| Guildhall Administration     | 52.619        | 57.969        | 5.350        |
| <b>TOTAL NET EXPENDITURE</b> | <b>68.544</b> | <b>73.783</b> | <b>5.239</b> |

|   |               |               |              |
|---|---------------|---------------|--------------|
| <b>ANALYSIS BY CHIEF OFFICER</b>            |               |               |              |
| The Chamberlain                             | 37.813        | 38.342        | 0.529        |
| The Deputy Town Clerk                       | 4.664         | 3.920         | (0.744)      |
| The Town Clerk                              | 0.824         | 0.800         | (0.024)      |
| The City Surveyor                           | 24.617        | 31.037        | 6.420        |
| The Remembrancer                            | 0.371         | (0.392)       | (0.763)      |
| Director of Community & Children's Services | 0.255         | 0.076         | (0.179)      |
| <b>TOTAL NET EXPENDITURE</b>                | <b>68.544</b> | <b>73.783</b> | <b>5.239</b> |

Figures in brackets indicate income, decrease in expenditure or increases in income

### Notes

- (i) Premises Related Expenses (local risk) – operational costs of Central Criminal Court, Walbrook Wharf, Guildhall Complex, Mansion House and Mayor's Court.
- (ii) Supplies and Services (local risk) – equipment, furniture, materials, printing, professional fees, grants, subscriptions, communications and computing.
- (iii) Grants, Reimbursements and Contributions – primarily funding for the Central Criminal Court and the Mayor's Court from Her Majesty's Courts and Tribunals Service.
- (iv) Customer, Client Receipts (local risk) – letting of Guildhall function areas, recovery of court costs, services to London Councils, Chamberlain's Court merchandising, and other fees and charges.
- (v) Premises Related Expenses (central risk) – primarily premises insurance premiums together with the cost of national nondomestic rates for the Guildhall Complex and Central Criminal Court.
- (vi) Transport Related Expenses (central risk) – vehicle insurance.
- (vii) Supplies and Services (central risk) – primarily insurances other than premises and transport.
- (viii) Other Grants, Reimbursements and Contributions (central risk) – funding for the Central Criminal Court from Her Majesty's Courts and Tribunals Service.
- (ix) Customer, Client Receipts (central risk) – income received from the letting of Guildhall function areas, insurance commission, dividend income from the City's Reinsurance Captive Company and Gresham Estate income.

## Appendix 4

### Finance Committee Operational Services Summary of Budget Movements from 2025/26 Budget to 2026/27 Estimate (cash limit)

| <b>Table 1 - Budget Summary Movements 2025/26 to 2026/27</b>  |               |
|---|---------------|
|   | <b>£m</b>     |
| <b>Provisional Budget 2025/26</b>   | <b>66.240</b> |
|   |               |
| Contingency Draw Down for Commercial Division reorganisation & Corporate Services and Carry forwards from 2024/25 | 1.940         |
| National insurance Rate change and 1% July 2024 salary settlement   | 0.685         |
| Transformation Fund under 3C  | 0.458         |
| Mansion House budget review increase  | 0.346         |
| Energy Pressures  | 0.312         |
| Net other movements   | 0.007         |
| Apprentice Budget clawback  | (0.143)       |
| City Surveyor Repairs & Maintenance   | (1.301)       |
|   |               |
| <b>Budget 2025/26</b>   | <b>68.544</b> |
| City Surveyor Repairs & Maintenance – Cyclical Works Programme  | 5.539         |
| Increase in insurance premiums  | 1.849         |
| Net 3% inflation  | 1.317         |
| Net other movements   | (0.370)       |
| Central & Capital Recharges   | (0.564)       |
| Removal of one-off transformation fund and carry forward 2024/25 funds  | (2.532)       |
| <b>Proposed Budget 2026/27</b>  | <b>73.783</b> |

This demonstrates the progression from last year's committee submissions and agreed budget through to the 2026/27 estimate.

**Appendix 5**

**Finance Committee Operational Services  
Movement from 2025/26 Budget to 2026/27 Estimate**

| <b>Analysis by Chief Officer and Division of Service - all risks</b> | <b>Budget 2025-26</b> | <b>Estimate Budget 2026-27</b> | <b>Movement (Budget 2025-26 to Estimate 2026-27)</b> | <b>Notes</b> |
|--|-----------------------|--------------------------------|--|--------------|
|  | <b>£m</b>             | <b>£m</b>                      | <b>£m</b>  |              |
| <b>By Chief Officer</b>  |                       |                                |  |              |
| The Chamberlain  | 37.813                | 38.342                         | 0.529  |              |
| The Deputy Town Clerk  | 5.488                 | 4.720                          | (0.768)  |              |
| The City Surveyor  | 24.617                | 31.037                         | 6.420  |              |
| The Remembrancer   | 0.371                 | (0.392)                        | (0.763)  |              |
| Director of Community & Children's Services                          | 0.255                 | 0.076                          | (0.179)  |              |
| <b>Chief Officer Totals</b>  | <b>68.544</b>         | <b>73.783</b>                  | <b>5.239</b>   |              |
| <b>By Division of Service</b>  |                       |                                |  |              |
| <b><u>The Chamberlain</u></b>  |                       |                                |  |              |
| Chamberlain's - General  | 29.254                | 30.986                         | 1.732  | i            |
| Chamberlain's - Internal Audit                                       | 0.991                 | 0.999                          | 0.008  |              |
| Chamberlain's - Business Support                                     | 1.169                 | 0.798                          | (0.371)  | ii           |
| Chamberlain's Court  | 0.244                 | 0.314                          | 0.070  |              |
| Chamberlain's Cost of Collection                                     | 0.799                 | 0.888                          | 0.089  |              |
| Chamberlain's - Commercial   | 4.811                 | 3.822                          | (0.989)  | iii          |
| Chamberlain's Gresham  | 0.545                 | 0.535                          | (0.010)  |              |
| <b><u>The Deputy Town Clerk</u></b>                                  |                       |                                |  |              |
| Shrieval Support   | 0.557                 | 0.644                          | 0.087  |              |
| Mansion House Premises   | 4.107                 | 3.276                          | (0.831)  | iv           |
| Corporate Services - Town Clerk                                      | 0.824                 | 0.800                          | (0.024)  |              |
| <b><u>The City Surveyor</u></b>                                      |                       |                                |  |              |
| Central Criminal Court   | 6.950                 | 7.005                          | 0.055  |              |
| Mayor's Court  | 0.069                 | 0.607                          | 0.538  | v            |
| Walbrook Wharf   | 1.242                 | 1.336                          | 0.094  |              |
| Guildhall Complex - City Surveyor                                    | 16.356                | 22.089                         | 5.733  | vi           |
| <b><u>The Remembrancer</u></b>                                       |                       |                                |  |              |
| Guildhall Complex - Remembrancer                                     | 0.038                 | (0.725)                        | (0.763)  | vii          |
| Corporate Services - Remembrancer                                    | 0.333                 | 0.333                          | 0.000  |              |
| <b><u>Director of Community &amp; Children's Services</u></b>        |                       |                                |  |              |
| Gresham  | 0.255                 | 0.076                          | (0.179)  |              |
| <b>Division of Service Totals</b>                                    | <b>68.544</b>         | <b>73.783</b>                  | <b>5.239</b>   |              |

Figures in brackets indicate income, decrease in expenditure or increases in income.

Overall, the proposed 2026/27 net revenue budget totals £73.783m, an increase of £5.239m (7.6%) compared with the budget of £68.544m for 2025/26. The main variations excluding the 3% inflation are:

- i. **Chamberlain's General £1.732m increase in net expenditure** – largely due to an increase in premises and liability insurance premiums of £1.893m, inflation allowance of £513k, offset by £458k savings offset against part of Fundamental Review savings target and reduction in central and capital charges by £216k.
- ii. **Chamberlain's Business Support £0.371m decrease in net expenditure** – due to reduction of £389k comprising £186k savings applied against unidentified savings target, less insurance premium by £50k and virement to other divisions (£153K) offset by inflation allowance of £18k.
- iii. **Chamberlain's Commercial Department £0.989m decrease in net expenditure** – mainly due to removal of £1.106m transformation funding offset by an inflation of £111k and increase in Central recharge by £6k. As the transformation is still underway further funding will be requested to support the Town Clerks Fantastic Four Years.
- iv. **The Deputy Town Clerk Mansion House Premises £0.831m decrease in net expenditure.** Mainly the decrease is due to increase in inflation by £11k and insurance premium by £6k. This was offset by changes to the rephasing of Cyclical works programme of £848k.
- v. **Mayor's Court £0.538m increase in net expenditure.** is mainly in relation to phasing of the Cyclical Works Programme of backlog repairs.
- vi. **Guildhall Complex City Surveyor £5.733m increase in net expenditure** – due to an increase of £6.074m in the Cyclical Works Programme, an inflation of £29k plus an increase of £333k due to rates and heating costs offset by a reduction of central recharges by £684k following the new method of allocation.
- vii. **Guildhall Complex Remembrancer £0.763k decrease in net expenditure** – this is mainly due to increase of income from using facilities by £554k, removal of one-off contingency funds of £542k offset by an inflation increase of £333k.

**Draft Capital and Supplementary Revenue Budgets**

The latest estimated costs of the committee's current approved capital and supplementary revenue projects for City Fund and City's Cash are summarised in the tables below which exclude the City Bridge Foundation (CBF).

|                      | Project   | Exp. Pre<br>Prior Year<br>£'000 | 2025/26<br>£'000 | 2026/27<br>£'000 | 2027/28<br>£'000 | Later<br>Years<br>£'000 | Total<br>£'000 |
|----------------------|---|---------------------------------|------------------|------------------|------------------|-------------------------|----------------|
| <b>CITY'S ESTATE</b> |   |                                 |                  |                  |                  |                         |                |
| Guildhall<br>Complex | <b><u>Recharges Between Funds</u></b>             |                                 |                  |                  |                  |                         |                |
|                      | Corporate Capital Projects<br>CE                  | -                               | (2,301)          | (358)            | -                | -                       | (2,659)        |
|                      | <b><u>Pre-implementation</u></b>                  |                                 |                  |                  |                  |                         |                |
|                      | Guildhall Great Hall Internal                     | 49                              | 110              |                  | -                | -                       | 159            |
|                      | Climate Action Operational<br>buildings           | 166                             | 255              | 219              |                  |                         | 640            |
|                      | Guildhall Complex<br>(Walbrook & Masterplan)      | 414                             | 9                |                  |                  |                         | 423            |
|                      | Guildhall Alarm                                   |                                 | 380              | 527              | -                | -                       | 907            |
|                      | Cyclical Works Programme<br>Schemes               | 263                             | 2,926            |                  |                  |                         | 3,189          |
|                      | <b><u>Authority to start work<br/>granted</u></b> |                                 |                  |                  |                  |                         |                |
|                      | Guildhall Cooling Plant<br>Replacement            | 3,433                           | 1,113            |                  |                  | -                       | 4,546          |
|                      | <b>TOTAL CITY'S ESTATE</b>                        | <b>4,325</b>                    | <b>2,492</b>     | <b>388</b>       | <b>0</b>         | <b>0</b>                | <b>7,205</b>   |

|                                | Project  | Exp. Pre<br>01/04/2024<br>£'000 | 2024/25<br>£'000 | 2025/26<br>£'000 | 2026/27<br>£'000 | Later<br>Years<br>£'000 | Total<br>£'000 |
|--------------------------------|--|---------------------------------|------------------|------------------|------------------|-------------------------|----------------|
| <b>CITY FUND</b>               |  |                                 |                  |                  |                  |                         |                |
| Guildhall<br>Complex<br>scheme | <b><u>Recharges Between Funds</u></b>              |                                 |                  |                  |                  |                         |                |
|                                | Corporate Capital Projects<br>CF                   | -                               | 2,253            | 351              | -                | -                       | 2,604          |
|                                | <b><u>Authority to start work<br/>granted:</u></b> |                                 |                  |                  |                  |                         |                |
|                                | <b>TOTAL CITY FUND</b>                             | <b>0</b>                        | <b>2,253</b>     | <b>351</b>       | <b>0</b>         | <b>0</b>                | <b>2,604</b>   |

|  |                      |              |              |            |          |          |              |
|--|----------------------|--------------|--------------|------------|----------|----------|--------------|
|  | <b>TOTAL FINANCE</b> | <b>4,325</b> | <b>4,745</b> | <b>739</b> | <b>0</b> | <b>0</b> | <b>9,809</b> |
|--|----------------------|--------------|--------------|------------|----------|----------|--------------|



## **Notes**

1. Pre-implementation costs comprise feasibility and option appraisal expenditure which has been approved in accordance with the project procedure, prior to authority to start work. These figures exclude the implementation costs of those schemes which have yet to receive authority to start work.
2. Recharges between funds reflect contributions from City Fund and City Bridge Foundation towards the cost of corporate Guildhall Complex and IT schemes which are initially borne by City's Esate.
3. The latest Capital and Supplementary Revenue Project forecast expenditure on approved schemes will be presented to the Court of Common Council for formal approval in March 2025