

## City of London Corporation Committee Report

<b>Committee(s):</b> Policy and Resources – For decision	<b>Dated:</b> 29 January 2026
<b>Subject:</b> Departmental 2026/27 Budget Estimates - Policy and Resources Committee	<b>Public report:</b> For Decision
<b>This proposal:</b> <ul style="list-style-type: none"> <li>• <b>delivers Corporate Plan 2024-29 outcomes</b></li> <li>• <b>provides statutory duties</b></li> <li>• <b>provides business enabling functions</b></li> </ul>	Statutory duties for a balanced 26.27 budget.
<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
Report of: The Deputy Town Clerk, Remembrancer, Executive Director of Innovation Growth, The Chamberlain, The Executive Director of Environment & Chief Strategy Officer, Executive Director of Corporate Communications & External Affairs and City Surveyor.	
<b>Report author:</b> Mark Jarvis - Head of Finance, Chamberlain's Department Declan Greaves – Finance Business Partner - Chamberlains	

### 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 revenue budget for 2025/26 and approve the proposed revenue budget for 2026/27.

The estimates presented in this report are for the services by Chief Officer, which are summarised below:

- i) Deputy Town Clerk – Strategic Security & Resilience, Town Clerk's Charities, Grants and Contingencies (including grants to outside organisations and control of the Policy Initiative Fund and Contingency budgets).
- ii) Executive Director of Innovation & Growth – Innovation & Growth (which incorporates the Climate Action Strategy).
- iii) Managing Director of City Bridge Foundation – Corporate Charities Review Project.
- iv) Remembrancer – Parliamentary and Ceremonial functions including the hosting of hospitality events.

- v) Executive Director of Environment – City Investment Business Unit (CBIU)
- vi) Corporate Communications & External Affairs – Corporate communications, external affairs & media team.
- vii) Chief Strategy Officer – Corporate Strategy and Equality, Diversity and Inclusion
- viii) City Surveyor – Market Site Regeneration Programme (MSRP)

The proposed budget for 2026/27 totals net expenditure of £51.393m, which is an increase of £25.713m (100.01% increase) compared with the 2026/27 original budget of £25.680m, which is principally due to:

- Market Site Regeneration Programme (MSRP), under the City Surveyor, has moved into Policy and Resources committee leading to a budget transfer of (£19.734m).
- An increase in capital and support services recharges (£2.088m).
- A 3% inflationary increase to all Local Risk budgets (£0.371m) Chief Strategy Officer budget moved into Policy and Resources with a total budget within Local Risk of (£1.985m).
- Executive Director of Environment – increase of (£0.675m) as City Development and Investment Unit has moved into Policy and Resources committee. This has merged with the Small and Medium Enterprise Delivery to create the new City Investment Business Unit (CBIU).
- Executive Director of Innovation and Growth – increase of £0.497m principally due to a £0.472m budget uplift in relation to the 2024 Pay Award and 3% inflation.
- Executive Director Corporate & External Affairs had an increase of (£0.426m). Increases included (£0.131m) due to the 3% inflationary uplift and 2024 Pay Award, (£0.300m) budget increase for external affairs and communications, (£0.100m) transitional relief for the 26.27 financial year and a (£0.064m) budget transfer from the Chief People Officer. Decreases in budget include a (£0.003m) reduction related to Mobile Phone savings, (£0.090m) budget transfer to the Chief Strategy Officer and (£0.076m) due to the Deputy Town Clerks.

## Overall Budget Summarised by Chief Officer.

Chief Officer and Risk	2025/26 Budget (£m)	2026/27 Original Budget (£m)	Movement 2025/26 to 2026/27 (£m)
<b>Local Risk</b>			
Executive Director of Environment	0.638	1.313	0.675
The Deputy Town Clerk	0.619	0.645	0.026
Chief Strategy Officer	0	1.985	1.985
The Remembrancer	1.601	1.882	0.281
Executive Director of Communications & External Affairs	2.742	3.915	1.173
Executive Director of Innovation Growth	6.276	8.780	2.504
Managing Director of City Bridge Foundation	0.040	0.041	0.001
<b>Total Local Risk</b>	<b>11.916</b>	<b>18.561</b>	<b>6.645</b>
<b>Central Risk</b>			
Deputy Town Clerk	1.621	1.621	0
The Remembrancer	1.269	1.269	0
Executive Director Corporate Communications & External Affairs	0.747	0	(0.747)
City Surveyors	0	19.734	19.734
Executive Director Innovation and Growth	4.449	2.442	(2.007)
<b>Total Central Risk</b>	<b>8.086</b>	<b>25.066</b>	<b>16.980</b>
Capital and Support Services	5.678	7.766	2.088
<b>Committee Total</b>	<b>25.680</b>	<b>51.393</b>	<b>25.713</b>

### Recommendation(s)

Members are asked to:

- I. Review and approve the Chief Strategy Officer's, Deputy Town Clerk's, Remembrancer's, Executive Director of Innovation & Growth, City Surveyors, The Executive Director of Environment & The Executive Director of Corporate Communications & External Affairs proposed revenue budgets for 2026/27 for submission to the Finance Committee.
- II. Authorise the Chamberlain, in consultation with the Deputy Town Clerk, Chief Strategy Officer, Remembrancer, Executive Director of Innovation & Growth, City Surveyor, The Executive Director of Environment & The Executive Director of Corporate Communications & External Affairs to revise these budgets to allow for any further implications arising from Corporate Projects, other reviews and changes to the Cyclical Works Programme; and
- III. Authorise the Chamberlain to agree minor amendments for 2025/26 and 2026/27 budgets arising during budget setting.

## Main Report

### Introduction

1. The revenue budget management arrangements are to:
  - Provide a clear distinction between local risk, central risk and recharge budgets.
  - Place responsibility for budgetary control on departmental Chief Officers.
  - Apply a cash limit policy to Chief Officers' budgets.
2. The budget has been analysed by the service expenditure and compared with the budget for the current year.
3. The overall budget is summarised in Table 1, including detail on the movement between the budget for the current financial year and the budget for 2025/26.

### Assumptions

4. The estimate for 2026/27 includes a 3% uplift for inflation distributed across each budget line for local risk.
5. In relation to staff costs, the estimates assume a 3.2% uplift for 2025/26 and 3% uplift 2026/27 financial years in relation to the Employers pay award.
6. Members should note that the Cyclical Works Programme (CWP) figures included in the Estimate Report relate only to elements of previously agreed programmes, which will be completed in 2025/26 and 2026/27. The separate bid for CWP works programme for 2026/27 has not been included in this report. The report will be submitted to Committee in January 2026 and will then require approval from Resource Allocation Sub-Committee to agree the funding. Once both Sub-Committees have agreed the 2026/27 programme Members will be advised of the outcome and Members are asked to authorise the Chamberlain to revise the budgets to allow for these approvals.
7. Support services budgets reflect the attribution and cost of central departments. All support services are based on time spent or use of services and were reviewed during 2024/25 with the method of apportionment updated to reflect the latest up to date corporate information.

### Proposals

#### Departmental budget estimates for 2026/27

The proposed budget for 2026/27 totals net expenditure of £51.393m, which is an increase of £25.713m (100.01% increase) compared with the 2026/27 original budget of £25.680m, which is principally due to:

- i) **City Surveyor (19.734m net increase)** - Market Site Regeneration Programme (MSRP), under the City Surveyor, has moved into Policy and Resources committee leading to a budget transfer.
- ii) **Deputy Town Clerk (£0.026m net increase)** – increase due to 3% inflationary uplift (£0.026m).
- iii) **Innovation and Growth (0.497m increase)** – due to (£0.397m) uplift due to the 2024 Pay Award and 3% Inflationary increase, (£0.150m) for partnership organisations and (£0.400m) for the Investment Hub. Decreases in budget

include (£0.443m) reduction in Climate Action Strategy budgets and (£0.006m) related to Mobile Phone savings.

- iv) **Executive Director Environment (£0.675m net increase)** – The full effect of the net 3% inflationary uplift to local risk budgets and additional resources as two departments merge to create the City Investment Business Unit (CBIU).
- v) **The Remembrancer (£0.281m net increase)** – Increase formed of (£0.091m) due to the 3% inflationary uplift and 2024 Pay Award, and a (£0.19m) budget transfer from Finance Committee, of Remembrancer's existing budget.
- vi) **Executive Director of Corporate Communications & External Affairs (£0.426m net increase)** – Increases included (£0.131m) due to the 3% inflationary uplift and 2024 Pay Award, (£0.300m) budget increase for external affairs and communications, (£0.100m) transitional relief for the 26.27 financial year and a (£0.064m) budget transfer from the Chief People Officer. Decreases in budget include a (£0.003m) reduction related to Mobile Phone savings, (£0.090m) budget transfer to the Chief Strategy Officer and (£0.076m) due to the Deputy Town Clerks.
- vii) **Chief Strategy Officer (1.985m net increase)** – the department has moved from Corporate Services Committee into Policy and Resources committee. An increase in capital and support services recharges (£2.008m). This is due to a (£2.040m) increase in central recharges and a (£0.048m) decrease in capital charges.

### **Potential Further Budget Adjustments**

10. The provisional nature of the revenue budgets recognises that further revisions may be required to realign funds for:
  - i) Central and departmental support services apportionments; and
  - ii) Decisions of the Resource Allocation Sub Committee in relation to the Cyclical Works Programme.

## **Staffing Statement**

11. A summary of the employee-related costs and FTEs by department are shown below.

Table 1.

Staffing Table	Budget 2025-26 (Staffing Full-time equivalent)	Budget 2025-26 (Cost £m)	Proposed Budget 2026-27 (Staffing Full-time equivalent)	Proposed Budget 2026-27 (Estimated Cost £m)
<b>Deputy Town Clerk</b>	6	0.512	5	0.443
<b>Innovation &amp; Growth</b>	89	7.770	84.15	7.986
<b>City Surveyor</b>	0	0	15	2.100
<b>Remembrancer</b>	17	1.430	18	1.705
<b>Executive Director of Environment</b>	10.3	0.530	12.6	0.978
<b>Communications</b>	44.1	3.311	38.4	3.318
<b>Chief Strategy Officer</b>	0	0	19.8	1.996
<b>Grand Total</b>	<b>166.40</b>	<b>13.553</b>	<b>192.95</b>	<b>18.526</b>

Staffing levels have increased across Policy and Resources by 26.55 FTEs principally due to the addition of Chief Strategy Officer and City Surveyor having transferred into Policy and Resources. Excluding the two additional departments, there was a reduction of 8.25 FTEs within the committee compared to 25.26.

## **Capital and Supplementary Revenue Project Costs**

12. 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 2026. Please refer to Appendix 3 for capital project bids.

## **Corporate & Strategic Implications – ‘none’**

### **Security Implications**

13. All events under the Outdoor Arts Programme will require robust Risk Assessment and Method Statements (RAMS) which will be developed in consultation with internal and external security services including the City Police.

### **Financial Implications**

14. The proposed 2026/27 budget includes a 3% inflationary uplift based on the original 2025/26 budget after other adjustments to risk areas have been considered.

15. The budgets overseen by this Committee of the Deputy Town Clerk, Executive Director of Community and Children’s Services and Executive Director Environment have been prepared in accordance with guidelines agreed by the Policy & Resources and Finance Committees.

### **Public sector equality duty**

16. Our fees and charges are regularly benchmarked with neighbouring / competing facilities, but we will continue to informally assess any negative impact on protected characteristic groups.

## **Resourcing implications**

17. The budgets presented in this report are within their available resource base. As a result, there are currently no resourcing implications identified.

## **Conclusion**

18. This report presents budgets overseen by this Committee for 2026/27 for the Town Clerk, Deputy Town Clerk, Executive Director of Innovation & Growth, The Remembrancer, Chief Strategy Officer, City Surveyor, The Executive Director of Corporate Communications & External Affairs and The Executive Director of Environment for Members to consider and approve.

## **Appendices**

- Appendix 1 – Budgets by Service Area and Risk allocation
- Appendix 2 – Staffing Table.
- Appendix 3 – Capital Project Bids 2025/26

## **Contacts:**

### **Mark Jarvis**

Head of Finance: Chamberlains Department

[Mark.Jarvis@cityoflondon.gov.uk](mailto:Mark.Jarvis@cityoflondon.gov.uk)

### **Declan Greaves**

Finance Business Partner: Chamberlain's Department

[Declan.Greaves@cityoflondon.gov.uk](mailto:Declan.Greaves@cityoflondon.gov.uk)

## **APPENDIX 1**

### **Summary of Services by Chief Officer**

#### **Deputy Town Clerk**

##### **Strategic Security & Resilience**

The Strategic Security & Resilience team has a number of functions, all focused on making the City a safe and pleasant environment in which to work, live and visit. The team provides services internally and for the wider City community, in two main areas: Emergency and Contingency Planning and Security.

##### **Grants and Contingencies**

- City's Cash - this covers certain central risk grants payable from City's Cash to outside organisations including Central London Forward and funding towards The CityUK, the Policy Initiatives Fund and the Committee's City's Cash contingency.
- City Fund - this mainly relates to central risk grants payable from the City Fund to outside organisations and grants under the control of Innovation & Growth (IG) which cannot be paid under IG powers.

##### **Town Clerk's Charities**

This is the budget given to the Corporate Charities Funding Unit to enable it to finish carrying out the Corporate Charity Review of the charities that City of London Corporation is a Trustee.

### **Executive Director of Innovation & Growth**

#### **Innovation & Growth (IG)**

IG's principal objective is to strengthen the City's competitiveness as the world's leading financial and professional services centre for the long-term, so that the City continues to drive prosperity across London and the UK through its offices in Guildhall, Brussels, China and India. Staff in Central London Forward and Heart of the City are not included in the Policy & Resources Service Overview as, although accommodation is provided for them within Innovation & Growth, they have external funding sources and separate business plans.

In 2026/27, Innovation & Growth will provide pre-agreed grants of £0.650m to external partner organisations, comprising £0.400m to TheCityUK, £0.100m to the Green Finance Institute, £0.075m to Innovate Finance and £0.075m to The Impact Investing Institute.

## **Remembrancer**

### **Parliamentary**

The Remembrancer is charged with safeguarding the constitutional position of the City of London Corporation and supports its contribution to society, the economy, and the environment. The Office holder is one of the City's four Law Officers. The Remembrancer is the City's Parliamentary Agent and the Parliamentary Agent for the Honourable the Irish Society, and the City's Chief of Protocol.

The Office is the official level channel of communication between Parliament and the City. In the contemporary context, this means day to day examination of Parliamentary business including examination of and briefing on proposed legislation and amendments to it, regular liaison with the Select Committees of both Houses and contact with officials in Government departments dealing with Parliamentary Bills. The work also includes briefings of members of both Houses for debates in which the City Corporation or City stakeholders have an interest, general liaison and intelligence gathering. The Office monitors the activities of the GLA and its associated bodies and their effect on the City and the work of the devolved administrations.

### **State, Diplomatic and Ceremonial functions**

These include the arrangements for events and related hospitality, the budget for which enables the Remembrancer's Office to facilitate such activities on behalf of the Lord Mayor and the City, or at the request of The King in liaison with His Majesty's Government and organisations and individuals with connections to the City. These include Royal and National occasions, state banquets, other hospitality, related events for visiting Heads of State and Government, distinguished organisations, and individuals. The budget also includes the cost of the Remembrancer's staff who manage these functions.

Functions are held in the Guildhall, Mansion House and other City venues such as Livery Halls, depending on the nature of the event. The Remembrancer's Office also has responsibility for the Lord Mayor's Banquet and elements of the Lord Mayor's Day at Guildhall and the Royal Courts of Justice.

## **The Executive Director of Corporate Communications & External Affairs**

### **The Corporate Communications & External Affairs Department**

The Corporate Communications and External Affairs division is currently comprised of Corporate Affairs, Filming Unit, Media, and Publishing (including internal communications and digital). It sits at the heart of the organisation and oversees the communications and corporate affairs priorities of the organisation and its principals, building the reputation and impact of the City Corporation as a whole and helping it to deliver its goals.

The purpose of the division is to use the power of first-class strategic communications and external engagement across multiple channels and audiences to help deliver the ambitious goals of the City of London Corporation for all the diverse communities we serve on a local, London, national and global scale.

As a highly professional and critical enabling function, the Corporate Communications and External Affairs division supports the City Corporation's strategic commitments, including delivery of the Policy Chairman's priorities and the Lord Mayor's theme.

### **The Executive Director of Environment**

#### **City Business Investment Unit (CBIU)**

A business service, the City Business Investment Unit (CBIU), to support and accelerate the Square Mile's post-pandemic economic renaissance. Designed to attract, retain, and grow investment in London's historic financial district, the CBIU will offer tailored, concierge-style support to both new and existing occupiers and investors.

#### **Chief Strategy Officer (CSO)**

The CSO and areas which sit within this function enables the wider City Corporation to deliver its aims and objectives through providing corporate, strategic, and wider support. The team drives an integrated and insightful approach to strategy, planning, corporate performance and analysis, risk management, Chief Officer Governance, and Equity, Equality, Diversity, and Inclusion (EEDI).

The CSO is responsible for the City Corporation's Corporate Plan and associated reporting, corporate performance and departmental business planning, overseeing corporate risks and mitigation measures, ensuring EEDI is observed in corporate standards and service delivery and the development and performance against the City Corporation's Equality Objectives.

#### **City Surveyor**

£19.6m relates to the Market Site Regeneration Programme (MSRP). This amount represents reprofiling of the spend rather than an overspend from FY 25-26 to FY 26-27. The total programme spend over 5 years is forecast at £50.9m, which is the approved budget.

## Appendix 2 – Summary by Risk Budget

<b>POLICY AND RESOURCES SERVICES COMMITTEE</b> Analysis of Service Expenditure and Chief Officer	By Risk	<b>Budget</b>	<b>Original</b>	<b>Movement</b>
		<b>2025-26</b>	<b>2026-27</b>	<b>2025-26 to Original 2026-27</b>
		£m	£m	£m
LOCAL RISK - EXPENDITURE				
Employees		9.745	16.173	6.428
Premises Related Expenses		0.172	0.202	0.030
Transport Related Expenses		0.156	0.185	0.029
Supplies and Services		2.503	3.153	0.650
Contingencies		(0.178)	0.000	0.178
Savings to be Applied		0.000	0.000	0.000
<b>TOTAL LOCAL RISK - EXPENDITURE</b>		<b>12.398</b>	<b>19.713</b>	<b>7.315</b>
TOTAL LOCAL RISK - INCOME				
Charges for specific services		(0.482)	(0.732)	(0.250)
Transfer from Reserves		0.000	(0.420)	(0.420)
<b>TOTAL LOCAL RISK - INCOME</b>		<b>(0.482)</b>	<b>(1.152)</b>	<b>(0.670)</b>
<b>NET LOCAL RISK</b>		<b>11.916</b>	<b>18.561</b>	<b>6.645</b>
CENTRAL RISK - EXPENDITURE				
Employees		2.179	3.071	0.892
Premises Related Expenses		0.000	4.213	4.213
Transport Related Expenses		0.004	0.000	(0.004)
Supplies & Services		3.636	17.994	10.458
Capital Charges		0.717	0.832	0.115
Contingencies		1.550	1.550	0.000
<b>TOTAL CENTRAL RISK - EXPENDITURE</b>		<b>8.086</b>	<b>27.660</b>	<b>13.976</b>
CENTRAL RISK - INCOME				
Grants, Reimbursements and Contributions		0.000	(0.440)	(0.440)
Transfer from Reserves		0.000	(2.154)	(2.154)
<b>TOTAL CENTRAL RISK - INCOME</b>		<b>0.000</b>	<b>(2.594)</b>	<b>(2.594)</b>
<b>NET CENTRAL RISK</b>		<b>8.086</b>	<b>25.066</b>	<b>16.980</b>
TOTAL EXPENDITURE BEFORE SUPPORT SERVICES		<b>20.002</b>	<b>43.627</b>	<b>23.625</b>
Central Recharges		7.148	9.229	2.081
Capital Charges		0.250	0.209	(0.041)
Recharges Within Fund		(0.363)	(0.315)	0.048
Recharges Across Funds		(1.357)	(1.357)	0.000
<b>TOTAL NET EXPENDITURE RECHARGED AS SUPPORT SERVICES</b>		<b>5.678</b>	<b>7.766</b>	<b>2.088</b>