Committee(s): Finance Committee – For Decision	**Dated:** 15 July 2026
Subject: Central Contingencies 2026/27	**Public report:** For Decision
This proposal: • **provides business enabling functions**	
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
Report of:	Chamberlain
Report author:	Laura Yeo, Financial Services Division

Summary

This report has been produced to provide Members with the year-end position for 2025/26 Contingencies and an update on the uncommitted balances for 2026/27 Contingencies.

Of the previous allocations agreed by Committee, a sum of £1,269,000 will be required in future years, therefore it is proposed that these committed sums are carried forward from 2025/26 to 2026/27, thereby ensuring that a full year's contingency provision is available during 2026/27.

It is proposed that the uncommitted balances for the Project Reserve Contingencies 2025/26 of £496,000 are carried forward from 2025/26 to 2026/27. The approval process for carry forwards is delegated to Chamberlains with consultation with the Chair and Deputy Chair of the Resource Allocation Sub Committee (RASC).

Recommendation(s)

Members are asked to:

- Agree to carry forward sufficient resources of £1,269,000 to meet existing allocations and £496,000 uncommitted balances for the Project Reserve Contingencies, thereby providing sufficient contingencies for funding requirements that may arise during 2026/27.

Main Report

Background

1. Service Committee budgets are prepared within the resources allocated by the Policy and Resources Committee, and with the exception of the Policy and

Resources Committee, such budgets do not include any significant contingencies. The budgets directly overseen by the Finance Committee therefore include central contingencies to meet unforeseen and/or exceptional items that may be identified across the City Corporation's range of activities. Requests for allocations from the contingencies should demonstrate why the costs cannot, or should not, be met from existing provisions.

2. In addition to the Central Contingencies, the Committee has three specific contingencies, an International Disasters Fund (IDF) of £100,000 to support humanitarian emergency funding appeals, and Project Reserve Contingencies to support project type spend.

Current Position

2025/26 Contingency Balances

3. The year-end position of the 2025/26 Central Contingencies and Specific Contingencies are set out in Tables 1 and 2 respectively. Appendix 1 provides details of the sums the Committee has previously allocated from the 2025/26 Contingencies.

Table 1: 2025/26 Central Contingencies			
	City's Estate £'000	**City Fund £'000**	**Total £'000**
2025/26 Provision	950	800	1,750
Provision brought forward to fund allocations agreed in previous years	128	1,244	1,372
Provision brought forward to fund future years	84	229	313
Total Provision	**1,162**	**2,273**	**3,435**
Less Allocations			
2025/26 financial year	(412)	(878)	(1,290)
To be carried forward to fund allocations agreed	(128)	(985)	(1,113)
For future financial years to be carried forward	(0)	(0)	(0)
Total Allocations	**(540)**	**(1,863)**	**(2,403)**
Uncommitted Balances	**622**	**410**	**1,032**

Table 2: 2025/26 Specific Contingencies			
International Disaster Fund	**City's Estate £'000**	**City Fund £'000**	**Total £'000**
2025/26 Provision	100	0	100
Provision brought forward	0	0	0
Less Allocations			
2025/26 financial year	(100)	(0)	(100)
Uncommitted Balance	**0**	**0**	**0**
Project Reserve Contingency			
2025/26 Provision	0	0	0
Provision brought forward to fund allocations agreed in previous years	215	0	215
Provision brought forward to fund future years	410	0	410
Additional allocation brought forward to fund future years	0	200	200
Total Provision	**625**	**200**	**825**
Less Allocations			
2025/26 financial year	(329)	(0)	(329)
To be carried forward to fund allocations agreed	(156)	(0)	(156)
For future financial years to be carried forward	(140)	(200)	(340)
Total Allocations	**(625)**	**(200)**	**(825)**
Uncommitted Balance	**0**	**0**	**0**

4. Of the previous allocations agreed by Committee, a total sum of £1,269,000 as listed below will be required in future years. Therefore, it is proposed that these sums are carried forward from 2025/26 to 2026/27, thereby ensuring that a full year's contingency provision is available during 2026/27.

    - £128,000 towards the National Environment Charities fundamental review support from City's Estate Contingency.
    - £155,000 towards Puddle Dock options analysis from City's Estate Project Reserve Contingency.
    - £835,000 towards Barbican Residential Estate non recovery of service charge from City Fund Contingency.

- £150,000 towards London Metropolitan Archives feasibility works from City Fund Contingency.

5. To provide sufficient contingencies for funding requirements that may arise during 2026/27, it is proposed that the uncommitted balances for the Project Reserve Contingencies 2025/26 of £496,000 are carried forward from 2025/26 to 2026/27. The carry forwards will be approved under delegation to the Chamberlain with consultation with the Chair and Deputy Chair of the Resource Allocation Sub Committee (RASC).

2026/27 Contingency Balances

6. If the proposed sums to be carried forward are agreed, the uncommitted balances that are available for 2026/27 Contingencies are set out in the table below.

Table 3: 2026/27 Central Contingencies			
	City's Estate £'000	**City Fund £'000**	**Total £'000**
Central Contingencies			
2026/27 Provision	950	800	1,750
2025/26 Brought forward	128	985	1,113
Total Provision	**1,078**	**1,785**	**2,863**
Previously agreed allocations	(128)	(985)	(1,113)
Pending request on the agenda	(0)	(0)	(0)
Total Commitments	**(128)**	**(985)**	**(1,113)**
Uncommitted Balances	**950**	**800**	**1,750**
Specific Contingency - International Disaster Fund			
2026/27 Provision	100	0	100
2025/26 Brought forward	0	0	0
Total Provision	**100**	**0**	**100**
Previously agreed allocations	(100)	(0)	(100)
Pending requests on the agenda	(0)	(0)	(0)
Total Commitments	**(100)**	**(0)**	**(100)**
Uncommitted Balance	**0**	**0**	**0**
Specific Contingency – Project Reserve			
2026/27 Provision	0	0	0
2025/26 Brought forward	296	200	496
Total Provision	**296**	**200**	**496**
Previously agreed allocations	(156)	(0)	(156)
Pending request on the agenda	(0)	(0)	(0)
Total Commitments	**(156)**	**(0)**	**(156)**
Uncommitted Balance	**140**	**200**	**340**

7. In the case of a request for additional funding for a project that affects all three funds, the City Bridge Foundation (CBF) Board would approve its portion of any such joint project. All requests specific to CBF only are considered solely by the CBF Board.

8. At the time of preparing this report, there are no requests for allocations from contingency funds elsewhere on the agenda.

Corporate & Strategic Implications

Strategic Implications – Contained within the body of the report
Financial implications – Contained within the body of the report
Resource Implications – Contained within the body of the report
Legal Implications - None
Risk Implications - None
Equalities Implications - None
Climate Implications - None
Security Implications - None

Conclusion

9. Members are asked to agree to carry forward resources of £1,269,000 to meet existing allocations and £496,000 Project Reserve Contingencies uncommitted balances, thereby providing sufficient contingencies for funding requirements that may arise during 2026/27.

Appendices

- Appendix 1 – 2025/26 Contingencies
- Appendix 2 – 2026/27 Contingencies

Laura Yeo
Group Accountant
Financial Services Division
E: Laura.Yeo@cityoflondon.gov.uk