

YOUR COUNCIL TAX AND THE GREATER LONDON AUTHORITY

Introduction

The Mayor of London's budget for 2026-27 sets out how he will fund his plans to continue building a fairer, safer, greener and more prosperous London for everyone. It ensures investment to tackle crime, build more affordable homes, reduce street homelessness, improve London's transport network, provide free school meals to all state primary school children, and keep London as a world-leader in tackling air pollution and the climate crisis.

The thread that runs throughout the budget is the Mayor's desire to provide a helping hand to Londoners to ensure everyone has the chance to reach their potential.

In particular, the Mayor's budget for 2026-27 prioritises resources to tackle crime and the causes of crime, with a record-breaking £1.26bn investment from City Hall in policing and crime prevention measures.

Increasing council tax to fund the Metropolitan Police and the London Fire Brigade

The GLA's share of council tax for a typical Band D property has been increased by £20.13 – the equivalent of £1.68 a month. The additional income from this increase will help to fund the Metropolitan Police Service (MPS) - whose work is overseen by the Mayor's Office of Policing and Crime (MOPAC) - and the London Fire Brigade (LFB).

The Mayor has taken the decision to increase the policing precept part of council tax to support the MPS in conducting a major crack down on phone theft, with targeted action to dismantle phone theft gangs on London's streets. The additional funding will also be used to ensure London can build on the important progress being made to reduce homicides, knife crime, gun crime, burglary and other key crimes.

The LFB does a vital job in London, but it needs more funding to meet inflationary pressures. That's why the Mayor is also increasing the non-police council tax precept to ensure the LFB can continue to carry out prevention and protection work to keep Londoners safe.

Band D Council Tax (£)	2025-26	Change	2026-27
MOPAC (Metropolitan Police)	319.13	15.00	334.13
LFC (London Fire Brigade)	71.72	5.13	76.85
GLA	22.44	0.00	22.44
Transport for London	77.09	0.00	77.09
Total	490.38	20.13	510.51

Investing in policing and crime prevention

The Mayor's top priority is keeping Londoners safe and investment from City Hall has helped to deliver significant progress in reducing key crimes across London over recent years.

Knife crime and personal robbery are both down by 15 per cent in the 12 months to November 2025 compared to the same period the previous year. The number of homicides has fallen to the lowest rate per capita since records began. And this financial year, investment from City Hall has helped to reduce neighbourhood crime by 14.6 per cent, with 16,000 fewer offences. This has been driven by a reduction in personal robbery, theft from the person and vehicle crime.

However, there is still much more to do, which is why the Mayor is investing a record-breaking £1.26bn from City Hall in policing and crime prevention measures in his 2026-27 budget. This is nearly £100m more than last year's budget.

The funding aims to build on the progress being made and includes:

- ◆ Some £4.5m announced for the MPS and the Mayor's Office for Policing and Crime to continue to crack down on and dismantle phone theft gangs on the streets of the capital. This includes a proposal to set up a new mobile phone Command Cell to coordinate intelligence and respond to phone theft and robbery in hotspot areas.
- ◆ A new £2.4m package of support for victims and survivors of Child Sexual Exploitation. This is part of the Mayor's commitment to strengthen the protection of children from exploitation and harm.
- ◆ An additional £50m to invest in further support for young people, which will help to keep vulnerable young Londoners away from gangs and crime. Hundreds of thousands of targeted interventions have already been delivered by City Hall and the Mayor's Violence Reduction Unit, which are helping to break the cycle of violence and deliver positive opportunities for young Londoners.
- ◆ An additional £29m investment to continue tackling violence against women and girls (VAWG) in London. This is on top of the record £233m investment to tackle VAWG since the Mayor was elected.

Improving transport services in London

The Mayor is focused on increasing and improving transport services to make London's transport network better, greener, more accessible and as affordable as possible. The Mayor's budget for 2026-27 includes investment that will help to:

- ◆ Maintain existing concessionary travel and assisted door-to-door transport schemes in partnership with London boroughs and the City of London Corporation. This includes maintaining free bus and tram travel for under 18s and free off-peak travel across the network for older Londoners, the disabled, armed forces personnel in uniform and eligible armed services veterans. The Taxicard and Dial-a-Ride schemes will also be protected.
- ◆ Roll out new trains on the Piccadilly line.
- ◆ Continue to improve accessibility across TfL's network, increasing the availability of step-free access and toilets. In 2026-27, TfL will increase investment in step-free schemes to make progress towards its goal of halving step-free journey time across the network, as well as its target of making 50 per cent of London Underground stations fully accessible.
- ◆ Improve bus passengers' experience. Two significant areas of focus will be continuing to build the Superloop network, through Superloop 2, and continuing the transition to a zero-emission bus network.
- ◆ Move plans forward to deliver key transport schemes, including the DLR extension to Thamesmead, which has now been given the go ahead by the government.
- ◆ Deliver schemes designed to make walking, cycling and public transport safer, cleaner and more appealing, in partnership with London boroughs.

Delivering other Mayoral priorities to make London fairer for everyone

Supporting Londoners through the cost-of-living crisis – The Mayor has responded to the cost-of-living challenges facing families in London by providing funding to continue his universal free school meals programme for London's state primary school children. By July 2026, it is estimated that this programme will have saved London families up to £1,500 per child since its introduction in September 2023.

Investing in social and affordable homes – Before the pandemic, the Mayor completed more homes in London than at any time since the 1930s and he has taken council housebuilding to its highest level since the 1970s. But there is still a long way to go to fix the housing crisis, with housebuilding currently facing an extremely challenging time in the capital. This is due to a combination of the impact of Brexit, the pandemic, high interest rates and delays caused by the Building Safety Regulator. The Mayor will continue to do everything he can, using his budget for 2026-27 to build more of the safe, decent and affordable homes Londoners need.

Tackling rough sleeping – The Mayor has made addressing London’s rough sleeping crisis a top priority. Since 2016, he has increased City Hall’s rough sleeping budget more than fivefold and helped more than 20,000 people off London’s streets. The Mayor’s budget for 2026-27 includes an additional £8m to invest in further action to tackle rough sleeping in the capital.

Supporting Londoners through the AI revolution – The Mayor’s budget for 2026-27 includes a new £20m pot of funding to take forward recommendations from his Artificial Intelligence (AI) and Future of Work Taskforce to embed AI skills in our workforce and equip Londoners with the tools they will need to succeed in a fast-changing environment.

The Mayor’s budget for 2026-27 will also invest in: supporting Londoners to secure better paid jobs; tackling inequality; supporting renters; helping businesses, both large and small; and keeping London as a world-leader in reducing air pollution, cleaning up our rivers and tackling the climate crisis.

Investing in the London Fire Brigade to Keep Londoners Safe

The London Fire Brigade (LFB) is rated as outstanding in how it responds to major and multi-agency incidents and now responds to emergencies quickly and effectively. This is a positive transformation that has been aided by significant investment from City Hall over recent years.

The Mayor’s budget for 2026-27 will continue to support the London Fire Commissioner and his team with funding to maintain the LFB’s operational capabilities and response times, deliver a Modern Firefighting Training Strategy across LFB, and invest in LFB’s estate and infrastructure.

Investing to transform Oxford Street through the Oxford Street Development Corporation (OSDC)

The Mayor’s budget includes the funding for the newly established Oxford Street Development Corporation (OSDC), which is supporting the development of Oxford Street’s retail and leisure offer, including curating an ongoing programme of activations to provide a world-leading visitor experience. The OSDC will develop and implement sustainable commercial and financial strategies to support the long-term development, activities and operation of the area. The OSDC is not funded from council tax.

Delivering affordable housing through the London Legacy Development Corporation (LLDC)

The LLDC was set up to ensure that the city benefitted from a long-term legacy from the London 2012 Olympic and Paralympic Games. The Mayor’s 2026-27 budget provides funding to complete the construction of East Bank, one of the world’s largest and most ambitious cultural and education districts, in Queen Elizabeth Olympic Park.

The Mayor's budget provides LLDC with the funding to provide ongoing support for the delivery of homes at Stratford Waterfront, Bridgewater Triangle, and Pudding Mill Lane residential sites, and to work with partners to progress major housing schemes across its landholdings. The LLDC is not funded from council tax.

Creating jobs and delivering affordable housing through the Old Oak and Park Royal Development Corporation (OPDC)

The OPDC has been established to support the creation of 65,000 new jobs and at least 24,000 new homes in west London over the next 20 years. The Mayor's budget supports the next stage of OPDC's development project, including progress towards the comprehensive regeneration of Old Oak and the provision of a low-carbon district heat network. The OPDC is not funded from council tax.

Summary of the GLA Group budget

The tables below show where the GLA's funding comes from and the reasons for the year on year change in the budget. It also explains how the GLA has calculated the sum to be collected from council tax (the council tax requirement).

How the GLA's budget is funded (£ million)	2026-27
Gross expenditure	19,079.0
Government grants and retained business rates	-8,466.8
Fares, charges and other income	-8,815.1
Change in reserves	-130.1
Amount met by council taxpayers	1,667.0

Changes in spending (£ million)	2026-27
2025-26 council tax requirement	1,581.9
Net change in service expenditure and income	697.9
Change in use of reserves	261.2
Government grants and retained business rates	-874.0
Amount met by council taxpayers	1,667.0

Detailed budget by service area

The table below compares the GLA Group's planned expenditure on policing, fire and other services (including transport) in 2026-27 with 2025-26.

The GLA's planned gross expenditure is higher this year. This reflects the additional resources the Mayor is investing in policing, the London Fire Brigade and transport services. Overall, the council tax requirement has also increased for this reason. There has been a 1.2 per cent increase in London's residential property taxbase.

Find out more about our budget at: **www.london.gov.uk/budget**.

Summary of Spending and Income (£ million) (figures may not sum exactly due to rounding)	Police (MOPAC)		Fire (LFC)		Other Services (GLA, TfL, LLDC, OPDC and OSDC)		GLA Group Total	
	2025-26	2026-27	2025-26	2026-27	2025-26	2026-27	2025-26	2026-27
	Gross expenditure	5,051.6	5,287.7	628.6	660.6	12,281.4	13,130.7	17,961.6
Government grants and business rates	-3,530.1	(3,795.6)	-330.6	(352.3)	-3,815.3	(4,318.9)	-7,676.0	(8,466.8)
Other income (incl. fares and charges)	-398.8	(343.2)	-52.7	(59.3)	-7,860.9	(8,412.6)	-8,312.4	(8,815.1)
Net expenditure	1,122.7	1,148.9	245.3	249.0	605.2	399.2	1,973.2	1,797.1
Change to level of reserves	-94.3	(59.0)	-13.5	2.5	-283.5	(73.6)	-391.3	(130.1)
Council tax requirement (income)	1,028.4	1,089.9	231.8	251.5	321.7	325.6	1,581.9	1,667.0