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Title: Budget Review – Draft GLA Budget 2021-22

Executive Summary

At the Budget and Performance Committee meeting on 24 November 2020 the Committee resolved:

That authority be delegated to the Chairman, in consultation with party Group Lead Members and Caroline Pidgeon MBE AM, to agree any output from the meeting.

Following the meeting, the Chairman, in consultation with party Group Lead Members and Caroline Pidgeon MBE AM, agreed a letter to the Mayor's Chief of Staff on the Draft GLA Budget for 2021-22, as attached at Appendix 1.

Decision

That the Chairman, in consultation with party Group Lead Members and Caroline Pidgeon MBE AM, agree a letter to the Mayor's Chief of Staff on the Draft GLA Budget for 2021-22, as attached at Appendix 1.

Assembly Member

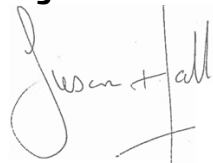
I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature

Date

9 December 2020



Printed Name Susan Hall AM (Chairman, Budget and Performance Committee)

Decision by an Assembly Member under Delegated Authority

Notes:

1. *The Lead Officer should prepare this form for signature by relevant Members of the Assembly to record any instance where the Member proposes to take action under a specific delegated authority. The purpose of the form is to record the advice received from officers, and the decision made.*
2. **The 'background' section (below) should be used to include an indication as to whether the information contained in / referred to in this Form should be considered as exempt under the Freedom of Information Act 2000 (FoIA), or the Environmental Information Regulations 2004 (EIR). If so, the specimen Annexe (attached below) should be used. If this form does deal with exempt information, you must submit both parts of this form for approval together.**

Background and proposed next steps:

The GLA Act requires the Mayor to consult the Assembly on his initial GLA budget plans for the next financial year before going out to consultation on his GLA Group budget plans. The Draft GLA Budget for 2021-22 was submitted to the Budget and Performance Committee meeting on 24 November 2020 for consideration.

At that meeting the Committee resolved:

That authority be delegated to the Chairman, in consultation with party Group Lead Members and Caroline Pidgeon MBE AM, to agree any output from the meeting.

Following the meeting, the Chairman, in consultation with party Group Lead Members and Caroline Pidgeon MBE AM, agreed a letter to the Mayor's Chief of Staff on the Draft GLA Budget for 2021-22, as attached at Appendix 1.

Confirmation that appropriate delegated authority exists for this decision

Signed by Committee
Services



Date 3 December 2020

Print Name:

Laura Pelling

Tel: X. 5526

Financial implications NOT REQUIRED

NOTE: Finance comments and signature are required only where there are financial implications arising or the potential for financial implications.

Signed by Finance

Date

Print Name

Tel:

Legal implications

The Budget and Performance Committee has the power to make the decision set out in this report.

Signed by Legal



Date 3 December 2020.....

Print Name

Emma Strain, Monitoring Officer

Tel: X 4959

Supporting detail/List of Consultees: Len Duvall AM (Deputy Chair), Siân Berry AM, Caroline Pidgeon MBE AM

Public Access to Information

Information in this form (Part 1) is subject to the FoIA, or the EIR and will be made available on the GLA Website, usually within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** this form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 – Deferral

Is the publication of Part 1 of this approval to be deferred? No

Until what date: (a date is required if deferring)

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA or EIR should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form - No

Lead Officer/Author

Signed



Date 04 December 2020

Print Name

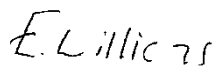
Gino Brand

Tel: 07511 213765

Job Title

Senior Policy Adviser

Countersigned by Executive Director



Date 04 December 2020

Print Name

Ed Williams

Tel: X4399



Susan Hall AM
Chairman of the Budget and Performance Committee

Appendix 1

David Bellamy
Mayor's Chief of Staff
(Sent by email)

9 December 2020

Dear David,

On behalf of the Committee, may I record my thanks to you and your senior colleagues for taking the time to attend the Committee's meeting on 24 November and answer Members' questions.

We appreciate the scale of the challenge you face in making savings of £38 million from the GLA:Mayor budget and can see that a large amount of work has already gone into thinking through how expenditure within the GLA:Mayor budget fits strategically with London's recovery plans for COVID-19. In that context, the Committee offers the following points as its response to the GLA:Mayor budget submission for 2021-22:

1. Setting out the GLA:Mayor budget according to the nine Missions agreed by the London Recovery Board clearly has its benefits and it represents a public statement of London's commitment to prioritising its recovery from COVID-19. We would question, though, whether:

(i) The entirety of the GLA:Mayor budget needs to be handled in this way. We imagine that policy functions, which already have well defined programmes and operate within certain existing and well known parameters offering little opportunity for flexibility, do not fit easily with the approach being taken. Furthermore, it is not clear to us at this stage as to how resources will be prioritised between Missions, noting that Missions will inevitably have different levels of resourcing and that the degree of flexibility available within a shrinking budget will naturally be severely limited.

(ii) The approach taken should be time limited and labelled as such.

(iii) There must surely be a danger that it becomes an exercise in recategorising and redescribing a series of items of expenditure which would have happened in the same way and to the same level regardless of the nature of their classification within the nine Missions. We know that this is not your intention but it could easily become a paper exercise without any obvious benefit to Londoners.

2. We note with interests the comments the Chief Officer made about how redesigning the budget according to Missions has brought about improvements to working practices between GLA teams. That is welcome and laudable. However, it needs to be seen in the light of the following questions:

(i) Have the inputs - which predominantly comprise senior GLA staff time and are therefore costly - justified the outputs or outcomes from this exercise?

(ii) Anecdotal reflections are fine as far as they go but what evidence is there of improved working across teams?

(iii) What actual benefits have arisen for Londoners as a result of the missions approach? What is being delivered in concrete terms which would not otherwise be delivered?

3. Now that we have had a chance to look at the submissions from the GLA's functional bodies, it would seem that the functional bodies have not adopted the same recovery centred approach to their budgets which the GLA has. We appreciate that the role of the bodies vary - particularly in terms of the blue light services - and would not expect every approach to be the same but it nonetheless appears odd that TfL or the MDCs, for example, have not amended their budget presentations in the same way as the GLA has. It will be interesting to see the extent to which the London boroughs follow the GLA's lead in this matter.

4. On the details of the savings, it was noted that the corporate savings appear to be mainly tentative at this stage and disappointing that the directorate savings remain completely outstanding. The Committee would like to find a way forward which would allow us to see the detail of the GLA:Mayor budget for scrutiny purposes; which has not been possible via the GLA:Mayor budget submission this year. I ask that you write to me at the first available opportunity - and within a week of receiving this letter - to set out:

(i) When you intend to share the full GLA:Mayor budget, noting that the various iterations of the Group budget in December, January and February are insufficiently detailed in this respect.


(ii) How you intend to identify those programme areas earmarked for savings and the expected impact of those savings (for example, on events).

(iii) How you intend to identify the staffing impacts as part of a worked through HR strategy for the whole organisation outside of the Assembly Secretariat.

5.. The Committee is concerned that the lack of detailed savings proposals means the Assembly cannot currently undertake year-on-year comparisons across directorates. We appreciate Appendix B has been provided to allay these concerns - though the figures provided are indicative and savings have only been provided on a pro-rata basis. We further accept that uncertainty over business rates and council income makes it challenging to provide concrete savings proposals. However, the Committee needs to see further details on programme level savings so that the Assembly can provide the requisite level of scrutiny to the budget process. We trust that this will be corrected in due course as part of sharing a full GLA:Mayor budget under 4(i) above.

I would be grateful if you could provide this information by **Friday 18 December**, with the exception of item 4, which we would like to see sooner. I look forward to your response. Please copy Laura Pelling, Principal Committee Manager, into your response via the following email address: Laura.pelling@london.gov.uk.

Yours,

A handwritten signature in black ink that reads "Susan Hall". The signature is written in a cursive style with a large initial 'S' and a vertical line extending downwards from the end of the name.

Susan Hall AM
Chairman of the Budget and Performance Committee