

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2010

Title: GLA outturn 2015-16

Executive Summary

This decision form summarises the Greater London Authority's (GLA) financial outturn for 2015-16 and highlights capital and revenue expenditure across all areas. It also provides a summary of corporate items including transfers to and from reserves, the allocation of contingency and budget carry forwards.

Mayoral approval is sought for a number of carry forward items from 2015-16 and for a delegation to lead officers to agree any further carry forwards required from 2015-16.

Decision

That the Mayor:

1. notes:

- a) the GLA financial performance and outturn for 2015-16 as set out in this decision form, on which basis the final GLA statement of accounts will be prepared;
- b) the transfers to and from reserves set out in paragraph 2.6 of the Annex to this decision form; and

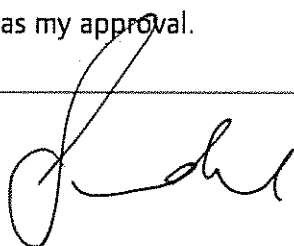
2. approves the carry forwards and allocations to projects as set out in Appendix 3 of the Annex to this decision form, which supersede the carry forwards that were approved under cover of MD1629; and
3. delegates authority to the Chief of Staff and the Executive Director of Resources, in consultation with the lead Executive Director, to agree any allocation from further 2015-16 carry forwards; and
4. notes that programme budget reprofiling, consideration of further carry forwards and a review of reserves will take place with the Chief of Staff and Director of Policy to reflect Mayoral priorities and expectations and to be incorporated into the Quarter One 2016-17 monitoring.

Mayor of London

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:

27/7/16

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 The attached report provides a summary of the 2015-16 year-end financial data for the GLA.
- 1.2 To ensure that its business is conducted efficiently, the GLA has established and adheres to sound financial management policies. Part of this process includes advising on the Authority's financial position at the end of each financial year, which is detailed in the Annex to this decision form.

2. Objectives and expected outcomes

- 2.1 The objective of this decision form is to provide a summary of the GLA's financial performance and outturn in 2015-16 and to set out the proposed transfers to and from reserves.
- 2.2 The carry forwards in respect of which approval is sought under this decision from total £13.9m revenue and £348m capital. This reflects the outcome of an initial review led by the Chief of Staff and the Mayor's Director of Policy with Executive Directors and corresponds with the amounts assessed as fully committed or necessary for delivery to continue without delay. Amounts recommended at this stage are in the main approved items with contractual commitments, funded from ring-fenced income sources and/or agreed continuing policy priorities
- 2.3 A further £14.3m revenue and £198m capital will be subject to a subsequent review to ensure full alignment of the programmes with the Mayoral priorities. Approximately £1.3m of carry forward requests have already been identified as savings and will be reallocated to new priorities.
- 2.4 Once this further detailed review has been undertaken, this Mayoral decision proposes that supplementary carry forwards are formalised, in consultation with the lead Executive Director, through a Director's Decision by the Chief of Staff and the Executive Director of Resources.

3. Equality comments

- 3.1 There are no adverse equality implications as the report contains no proposed changes to new or existing services, policies or strategies.

4. Other considerations

- 4.1 It is the responsibility of Executive Directors to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial and operational performance targets, which are monitored and reported on as part of the budgetary control process.

5. Financial comments

- 5.1 Financial issues are integral to this decision form.

6. Legal comments

- 6.1 Section 127 of the Greater London Authority Act 1999 (the “GLA Act”) requires relevant authorities to make arrangements for the proper administration of their financial affairs and to ensure that their chief financial officer has a responsibility for the administration of those affairs. The GLA is a relevant authority under Section 127 and consequently is required to comply with these requirements. The attached report has been prepared for the GLA as part of the chief financial officer making arrangements for the proper administration of the GLA’s financial affairs.
- 6.2 The approval of the transfers to and from the reserves as set out in the report is supported by Section 34 of the GLA Act which allows the Authority, acting by the Mayor, to do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of any functions of the Authority exercisable by the Mayor.
- 6.3 The Mayor may delegate, pursuant to section 38 of the GLA Act, the exercise of functions of the GLA exercisable by him to any member of staff of the GLA

7. Planned delivery approach and next steps

- 7.1 Budgetary control reports are circulated across the organisation every four weeks for review by Executive Directors / Assistant Directors / Heads of Unit and, where appropriate, other nominated officers, with a list of specific variances that require explanation. These explanations and a full year forecast of income and expenditure are presented to the Mayor’s Office and Budget Monitoring Sub-Committee on a quarterly basis, along with a year-end report (please see the Annex).
- 7.2 The year-end report details the revenue and capital outturn for each Directorate, highlighting the key variances, along with a summary of the transfers to and from reserves and budget carry forwards agreed as part of the year-end closure of accounts process.

Supporting papers:

Annex: GLA Financial Outturn 2015-16, including:

- Appendix 1: Revenue Objective Summary
- Appendix 2: Capital Expenditure Outturn
- Appendix 3: Budget Carry Forwards.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website 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 approval or on the defer date.

Part 1 Deferral:

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

If YES, for what reason:

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

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form –NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Tom Middleton has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.

✓

Assistant Director/Head of Service:

Tom Middleton has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Sponsoring Director:

Martin Clarke has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

David Bellamy has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. Alce

Date

19. 7. 16

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

D. Bellamy

Date

20 / 7 / 2016