

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2588

Title: Approval of 2020-21 Council Tax and Precepts and Communication to Council Taxpayers

Executive Summary:

The Mayor's final draft budget for 2020-21 was considered at the meeting of the London Assembly held on 24 February 2020. The Assembly agreed no amendments and it therefore becomes the Greater London Authority's (GLA's) consolidated budget for the next financial year. Approval of the final draft budget allows the calculation of the GLA consolidated council tax requirement and precepts. The Mayor is asked in this decision form to agree these amounts and to the issuing of the formal precept notifications to the 33 London billing authorities (the 32 London boroughs and the Common Council of the City of London) as set out at Appendix A. They in turn will issue council tax bills from the beginning of March.

The Mayor is also asked to approve the explanatory supporting text in relation to the GLA budget and precept and associated calculations which will be circulated to the 33 council tax billing authorities in London so that they can make this available to council taxpayers if they wish or place on their websites. Two versions of the explanatory text have been prepared – a long version representing the GLA's preferred text and a short version which billing authorities may, at their discretion, use instead in order to reduce the cost of their council tax billing process. The two alternative versions are set out in Appendix B.

Decision:

The Mayor is requested to:

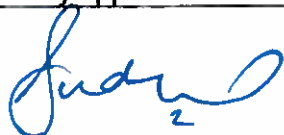
- 1) Agree the calculations for 2020-21 for:
 - a) the amount of the consolidated council tax requirement for the Greater London Authority of £1,010,907,032.68 and the proposed Band D equivalent council tax precepts (£332.07 in the 32 London boroughs and £79.94 in the Common Council of the City of London);
 - b) the tax for different valuation bands; and
 - c) the amount of council tax collectable by each billing Authority and payable to the GLA consistent with the consolidated council tax requirement approved without amendment by the London Assembly on 24 February 2020.
- 2) Agree to the issue of the GLA precept data for 2020-21 to the 33 council tax billing authorities (the 32 London boroughs and the Common Council of the City of London).
- 3) Approve both the alternative versions of the 2020-21 council tax explanatory text in respect of the GLA budget and precept to be issued to the 33 council tax billing authorities for communication to the occupiers of the 3.6 million domestic properties in London.

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:

24/2/20

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

Decision required – supporting report

1. Introduction and background

- 1.1 The Mayor's final draft budget for 2020-21, with its supporting material, was considered at the meeting of the London Assembly held on 24 February 2020. The Assembly made no amendment to the final draft budget, and it was therefore deemed to be approved unamended, and this budget is therefore the Authority's consolidated budget and council tax requirement for the next financial year. Approval of the final draft budget allows the calculation of the GLA council tax and precepts which must be notified to the 33 council tax billing authorities in London (the 32 London boroughs and the City of London) by 28 February 2020. This decision form asks the Mayor to approve the Band D council tax and precepts on the 33 London billing authorities for 2020-21 as set out in Appendix A.
- 1.2 The Mayor is also asked to approve the two alternative versions of the explanatory supporting information that the GLA will submit to the 33 billing authorities for the information of council taxpayers as set out in Appendix B for them to include with council tax bills or place on their website at their discretion.

2. Objectives and expected outcomes

- 2.1 The final draft budget set out the component council tax requirements for the GLA and each functional body and the consolidated council tax requirement for the GLA Group. The purpose of this decision form is to request that the Mayor confirms the approved council tax requirements which are set out below.

<i>Constituent body</i>	<i>Component council tax requirement</i>
Mayor of London	£66,591,241.42
London Assembly	£2,623,384.00
Mayor's Office for Policing and Crime	£ 767,054,360.26
London Fire and Emergency Planning Authority	£168,628,668.00
Transport for London	£ 6,009,379.00
London Legacy Development Corporation	£NIL
Old Oak and Park Royal Development Corporation	£NIL

Total Consolidated Council Tax Requirement	£ 1,010,907,032.68
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- 2.2 The first table in Appendix A sets out the statutory calculations under sections 88 and 89 of the Greater London Authority Act 1999 (the GLA Act) (as amended) for determining the two component parts of the Mayor's precept –
- The basic amount of council tax excluding the special item for the Mayor's Office of Policing and Crime (MOPAC), which applies in all 33 London billing authorities. This is calculated by dividing the consolidated council tax requirement, excluding the MOPAC component, by the council tax base for the whole of the Greater London Authority area. This is calculated as £79.94; and

- The basic amount of council tax relating to the special item for MOPAC (which does not apply in the Common Council of the City of London, which has its own police force). This is calculated by dividing the council tax requirement for MOPAC by the council tax base for the Metropolitan Police District area (i.e. excluding the City of London). This is calculated as £252.13.

- 2.3 These amounts are added together to determine the Mayor's precept for the 32 London boroughs. For 2020-21 this is £332.07 for a Band D property. The precept applying in the area of the Common Council of the City of London which is outside the Metropolitan Police District is £79.94 per Band D property.
- 2.4 The second table in Appendix A sets out the amount of council tax for each of the eight different valuation bands (A to H) applying in the 32 boroughs and the City of London. The third table sets out the amounts of the precept to be issued to each billing authority (i.e. their individual Band D taxbases multiplied by £332.07 in each of the 32 boroughs and £79.94 in the City of London). The sums in the third table exclude the GLA's share of each billing authority's declared collection fund surplus or deficit for 2019-20 which will be added to or deducted from the precept amount shown when determining the instalments payable in 2020-21. The GLA's share of the estimated net collection fund surplus for council tax for 2019-20 across the 33 London billing authorities is £17.36 million.
- 2.5 Appendix B contains two alternative versions of the explanatory information (i.e. the council tax leaflet text) for 2020-21 which will be issued to the 33 council tax billing authorities in London. The text provides an important opportunity for the Mayor and GLA to communicate with the occupiers of the estimated 3.6 million properties liable to council tax, London's estimated 320,000 non domestic ratepayers (who may also receive this information at the discretion of their billing authorities), as well as Londoners more generally, on the GLA Group's budget and priorities for the next financial year.
- 2.6 Depending on how each billing authority chooses to exercise their flexibilities under the Local Government Finance Act 2012 and the Council Tax (Administration and Enforcement) (Amendment) (No.2) (England) Regulations 2012, this supporting information will either be circulated to council taxpayers directly alongside their bills (short or long version) or made available on billing authority websites. Where the supporting information is only made available on billing authority websites then taxpayers should be provided with the web address where it can be downloaded as part of the billing information they receive. Council taxpayers may also request a hard copy of the supporting information be supplied to them by post by the billing authority if its general policy is to provide the information on their website only.
- 2.7 The long version represents the GLA's preferred text and the short version sets out a shorter summary text which billing authorities may, at their discretion, circulate instead as part of their billing material in order to reduce their administration costs including postage. Both versions comply with the requirements of the Council Tax (Demand Notices) (England) Regulations 2011 as amended. These regulations specify what information must be included in communications to council taxpayers from major precepting (i.e. the GLA in London), levying (e.g. the London Pensions Fund Authority, Environment Agency and Lee Valley Regional Park Authority in London), and billing authorities. Printing and billing deadlines mean that billing authorities require the leaflet information as soon as is practicable. The vast majority of council tax bills will be issued by post or (where previously requested) via email to tax payers at the beginning of March and so should, in the normal course of events, be delivered prior to the start of the pre-election period for the May 2020 GLA elections on 23 March.
- 2.8 It is proposed to publish the consolidated budget for the year and the component budgets for each constituent body for the next financial year by:

- Placing the consolidated budget, the component budgets and the supporting explanation considered by the Assembly on 24 February 2020 on the GLA website;
- Requesting that functional bodies place their budgets on their own websites; and
- Making copies available for inspection at City Hall.

3. Equality comments

- 3.1 Under section 149 of the Equality Act 2010, public authorities, such as the GLA (Mayor and Assembly) and the five functional bodies, must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation as well as to the need to advance equality of opportunity and foster good relations between people who share a relevant protected characteristic and those who do not. This involves having due regard to the need to remove or minimise any disadvantage suffered by those who share a relevant protected characteristic, taking steps to meet the different needs of such people; and encouraging them to participate in public life or in any other activity where their participation is disproportionately low.
- 3.2 The relevant protected characteristics under section 149 of the Equality Act are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. Compliance with the duty may involve treating people with a protected characteristic more favourably than those without the characteristic. The duty has applied to the formulation and approval of the GLA's and functional bodies' individual budgets and component council tax requirements, and the Mayor's final draft budget, approved without amendment. This decision form now implements the approval of the precept calculations and issue of the GLA precept to the 33 billing authorities. Part 3 to the final draft budget provided advice on the equalities implications of the Mayor's final draft budget.
- 3.3 Additionally, and complementarily, the Mayor is required by section 33(1) of the GLA Act to make appropriate arrangements with a view to securing that in the formulation and implementation of the Mayor's statutory strategies due regard is had to the principle that there should be equality of opportunity for all.
- 3.4 Compliance with the public sector equality duty is necessarily iterative and on-going. It includes carrying out a process at a level proportionate to the decision being taken to identify and actively consider potential detrimental impacts (if any) that may arise for individual protected groups and what mitigations (if any) could be implemented to address them. The GLA (Mayor and Assembly) and the functional bodies will continue to carry out this process in the implementation of their individual budgets, strategies, policies, programmes and projects.

4. Other considerations

Links to Mayoral Strategies

- 4.1 There are no direct implications in relation to any GLA strategies arising from performing the precept calculations that are required to be made in accordance with the GLA Act and the Local Government Finance Act 1992, as amended. Where relevant these were addressed in the Mayor's draft and final draft budgets presented to the Assembly.

Consultation arrangements

- 4.2 The Mayor issued guidance in June 2019 to the Greater London Authority and the functional bodies for preparing their budget submissions. The guidance sought to ensure that the Mayor's budget proposals were an accurate reflection of his priority aims and objectives within available resources.

4.3 The subsequent budget process itself involved:

- budget development by functional bodies and both parts of the GLA between June and November 2019;
- budget submissions scrutinised and approved by the functional bodies before formal submission to the Mayor in November 2019;
- the Mayor's draft budget proposals considered, prepared and issued for consultation on 18 December 2019;
- consultation undertaken on that document between 18 December 2019 and 15 January 2020;
- scrutiny by the Assembly's Budget and Performance Committee throughout the process;
- the presentation of the Mayor's draft consolidated budget which was considered by the Assembly on 29 January 2020 and approved without amendment; and
- the presentation of the Mayor's final draft budget which was approved without amendment by the Assembly on 24 February 2020.

4.4 The precepts and council tax requirements recommended for approval in this Decision are identical to those approved without amendment by the Assembly on 24 February 2020.

Risks

- 4.5 The Mayor's precept and council tax requirement have been considered and approved in line with the requirements of the GLA Act. The precept will be collected and enforced by the 33 London billing authorities in line with established practice and having regard to relevant legislation.
- 4.6 On the basis of the approved Referendums Relating to Council Tax Increases (Principles) (England) Report 2020/21, the council tax precept levels (on the basis of both the adjusted and unadjusted relevant basic amount of council tax) proposed by the Mayor in his final draft budget were also determined to be compliant with the excessiveness principles contained in that Report as they apply to the GLA. There will therefore be no requirement for a referendum to be held to approve the precept.

5. Financial comments

- 5.1 There are no specific financial implications in addition to those already included in the final draft consolidated budget documentation. The calculations set out in this Decision have been made in compliance with sections 85 to 89 of the GLA Act. The Authority must now issue the proper notices to the 32 London boroughs and the City of London to facilitate their own budget and council tax setting processes. The costs of billing and printing of supporting information (if applicable) are met by billing authorities – as this is a statutory function they are required to undertake.

6. Legal comments

- 6.1 On 14 February 2020 the Mayor published his final draft budget, and after the Assembly considered the Mayor's final draft budget and supporting material at its meeting on 24 February 2020, the final draft budget was deemed to be approved by the Assembly without amendment. In accordance with paragraph 8(6) of Schedule 6 to the GLA Act, that final draft consolidated budget becomes the GLA's consolidated budget for the next financial year.

- 6.2 Under paragraph 11 of Schedule 6 to the GLA Act, the Mayor must 'as soon as practicable' publish the GLA's consolidated budget for the year and the component budget for each constituent body for the year. This decision form constitutes approval for the publication of those budgets for this purpose. Copies of that consolidated budget document must also be made available for inspection by the public at the GLA's principal office. It is noted above that the GLA will make the final budget available on its website.

7. Planned delivery approach and next steps

- 7.1 Following the approval of this Mayoral Decision the timeline set out below will be followed.

Activity	Timeline
Final precept notifications and supporting explanatory information to be circulated to all 33 London billing authorities (Statutory deadline)	By 28 February 2020
Subject to the billing authorities' local policies the supporting explanatory information will either be circulated by them to council taxpayers directly alongside their bills or made available on billing authority websites. Where applicable taxpayers will be provided with the web address in their billing information.	March 2020

Appendices and supporting papers:

Appendix A – GLA council tax requirement and precept calculations for 2020-21

Appendix B – Proposed explanatory communication to council taxpayers to be submitted to the 33 London billing authorities

Supporting Papers

The final draft consolidated budget for 2020-21 and Assembly decision in relation to this at its meeting on 24 February 2020

<http://www.london.gov.uk/about-us/greater-london-authority-gla/spending-money-wisely/mayors-budget>

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

Until what date:

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:

Martin Mitchell has drafted this report in accordance with GLA procedures and confirms the following:

✓

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. The proposal originates from Finance.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 24 February 2020.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. Bellamy

Date

24.2.20

CHIEF OF STAFF:

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

Signature

D. Bellamy

Date

24/2/2020

