

Response to the Mayor's Draft Consultation Budget 2023-24

City Hall exterior

Key information

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1. Response to the Mayor's Draft Consultation Budget 2023-24

The cross-party **London Assembly Budget and Performance Committee** has published its response to the Mayor's Draft Consultation Budget for the Greater London Authority (GLA) Group 2023-24.

The Committee has raised a number of concerns in its report, published **today**, including:

- TfL plans to cover its operating cost and capital renewals in 2023-24 without fixed government funding, despite operating costs increasing by over £700 million and after requiring government funding of £865 million in 2022-23.
- MOPAC has removed its budget target for 2023-24 to recruit 6,000 additional police officers due to recruitment challenges.
- The London Fire Commissioner (LFC) is facing several cost pressures in its 2023-24 budget, and it cannot continue to address this issue through use of reserves as this poses risks to the longer-term sustainability of the LFC's finances.
- The London Legacy Development Corporation (LLDC) faces a series of long-term financial challenges, with the London Stadium continuing to be loss-making, with a £31 million loss recorded for 2021-22. This has not been helped by a lack of a naming rights deal for the London Stadium.
- A significant growth in the reserves held by the GLA, despite planned reductions that have never materialised and increasing levels of council tax.

The Mayor oversees a total budget of £20 billion and is responsible for setting the budget for the GLA and its functional bodies.

The report encourages the Mayor to assess his intention of raising council tax to the full extent (which could mean an increase of up to 9.7 per cent), and to clearly set out the potential increase in costs for TfL fares.

It makes a series of recommendations to the Mayor, including:

- The Mayor should assess his intention to raise council tax to the full extent available to him for 2023-24, once he has confirmation of all expected income levels.

- The Mayor should reassess the GLA Group reserves position and establish a clear and consistent policy for the use of reserves across the GLA Group.
- The Mayor should publish his cost benefit analysis of the restriction on the Older Persons Freedom Pass and 60+ Oyster from the morning peak.
- The funding for the ULEZ expansion should be clearly set out in the Mayor's 2023-24 Draft Consolidated Budget and should include a breakdown of the costs of expansion and the extra revenue anticipated from it. [The Mayor has been summonsed by the Budget and Performance Committee](#) to appear before it at a meeting in February to answer questions around the ULEZ expansion and TfL fares.
- The Mayor should clearly set out in his 2023-24 Draft Consolidated Budget what level of fares increases on TfL services he plans to implement in March 2023, and what impact this will have on expected income.
- The Committee encourages MOPAC to continue to work with the government to achieve longer-term funding settlements for the Metropolitan Police Service and make an effective case for further funding for police officers in London.
- The LFC should identify the extent of any known cost pressures relating to the upcoming legislative change and include them in the final 2023-24 Budget.
- The Mayor should set out his costed plans for the renovation of the Crystal Palace National Sports Centre and include the cost in his final 2023-24 Budget.
- This Committee would like to see demonstrable progress towards securing a naming rights deal for the London Stadium that reflects good market value and would encourage the Mayor to get involved in discussions to ensure renewed energy and urgency around this objective.
- The Mayor to address the low level of affordable housing being delivered by the LLDC.

[Read the Report](#)