
Mayor's Background Statement in support of his Final Draft Consolidated Budget for 2019-20

PART 1

Summary

This report presents the Mayor's Final Draft Budget proposals for the Greater London Authority (GLA) and its functional bodies for the next financial year.

1 Introduction

- 1.1 Part 1 of the Mayor's Final Draft Consolidated Budget sets out his final proposals in regard to council tax and the impact of the updated council tax and business rates forecasts received from the 33 London billing authorities and how this has changed his budget proposals.

2 Final Draft Budget Proposals

- 2.1 Following the London Assembly Plenary on 24 January, where no amendments to the Mayor's Draft Budget proposals were passed, the Final Draft Consolidated Budget reaffirms the Mayor's proposed increase in the Band D council tax of 8.9 per cent from £294.23 to £320.51 in 2019-20. This means the police element of the precept will increase by £24 from £218.13 to £242.13 in line with the assumptions for English police forces set out in the Home Office settlement for policing. The precept for taxpayers in the Corporation of London area which has its own police force increases by 2.99 per cent from £76.10 to £78.38.

3 Impact of Updated Council Tax and Business Rates Retention Forecasts for 2018-19 and 2019-20 Provided by the 33 London Billing Authorities

Introduction

- 3.1 Set out below are details of the impact of the billing authorities' returns on the GLA's council tax, retained business rates and income from the new London-wide 'pooling' arrangements.
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Council Tax

- 3.2 The draft budget assumed that there would be a 2 per cent overall growth in the London-wide council tax base in 2019-20. Based on the approved figures reported to the GLA there is a 1.9 per cent increase in the aggregate council tax base for tax setting purposes for the 33 billing authorities compared to 2018-19. As a result of this lower than forecast tax base growth, the Mayor's proposed Band D council tax precept of £294.23 will yield £1.2 million less precept income in 2019-20 compared to the figures assumed in the draft budget, of which just under £1 million relates to the policing element. The impact of this marginally lower taxbase increase has been offset for the GLA, Assembly, MOPAC and LFC through an adjustment to their business rates allocations. An ongoing increase in council tax buoyancy of 2 per cent per annum is assumed for 2020-21 onwards, however this will be kept under review through next year's budget process.
- 3.3 In addition, the GLA's share of billing authorities' estimated collection fund surpluses at 31 March 2019 in respect of council tax is £22.1 million. This is some £9.9 million higher than the £12.2 million figure assumed in the draft Budget. This increase should be assumed to be one-off. However, £0.6 million of the previously assumed collection fund surplus which was to be used to boost the MDC Reserve is no longer required. So, the available additional collection fund surplus is £10.5 million.

Retained Business Rates

- 3.4 The draft budget assumed that there would be a broadly balanced collection fund position in respect of retained business rates at the end of 2018-19. However, based on the 33 billing authorities' returns the GLA's share of the overall net estimated collection fund surplus at 31 March 2019 in respect of business rates is £24.5 million, comprising £11 million of prior year deficits and a £34.5 million in year surplus. This improved position is primarily due increases in forecast revenues for the Corporation of London and the City of Westminster. This increase should be assumed to be one-off and not recurring, as any additional growth arising from these surpluses will have been built into the forecasts for 2019-20 income. In addition, £28.8 million of one-off additional income is available following the confirmation of the 2017-18 outturn position by MHCLG in respect of the GLA's levy on growth, as well as the section 31 grant payments payable to fund the cost of business rates reliefs, alongside the share the GLA is entitled to receive from the national surplus on the levy account in 2018-19. This £28.8 million net upside relates to and must be accounted for in the 2018-19 financial year.
- 3.5 There has also been a material increase in estimated business rate income for 2019-20 across the majority of the 33 billing authorities in London based on their January 2019 returns, compared to the aggregate assumptions made in the draft budget which was published before these became available. The effect of this is that the GLA's share of forecast business rates income in 2019-20, after allowing for the reduction in council tax buoyancy described in paragraph 3.2 above, is £173.5 million greater than assumed in the draft budget.
- 3.6 There is expected to be a full reset of the business rates retention system in 2020-21 which will alter each local authority's baseline to remove any business rates growth (or negate any downside) achieved since 2013-14. It is also now considered highly likely that at the same time reforms to the business rates retention system will be made which will result in a two-year time lag in the receipt of business rates growth, with any adjustments henceforth being applied through the annual local government finance settlement.
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- 3.7 For this reason, the Mayor, on the advice of the Executive Director of Resources, has therefore taken the decision to secure the previously announced annual £59.3 million of business rates funding for 1,000 additional police officers in both 2020-21 and 2021-22 (i.e. £118.6 million) and advance this to MOPAC in 2019-20 to be held in its reserves. This will be financed from the additional business rates growth now available in 2019-20 and substitutes for the equivalent sums MOPAC would have received from this source in 2020-21 and 2021-22, as the GLA is not now expected to receive the business rates growth for those two financial years until 2022-23 and 2023-24 respectively, when it can be assigned to fund the additional officers in those years.
- 3.8 The GLA's baseline funding for 2020-21 onwards under the business rates retention system will also reflect an expected Spending Review during 2019 and the outcome of the Government's fair funding review for local government and fire services. The Mayor will also negotiate a separate revenue and capital funding settlement with the Government for Transport for London and the GLA. Funding for MOPAC will be allocated through the national funding formula based on the Spending Review envelope secured by the Home Office for policing and crime in England and Wales.

London-wide 'pooling' arrangements

- 3.9 Details of the London-wide 'pooling' arrangements are described in Appendix I of Part 2 of this final budget. The Mayor's draft budget estimated that the GLA's share of the additional growth arising from the 2019-20 pilot would be £62.1 million in 2019-20. This was based on an overall forecast made by London Councils which took into account updated information from those boroughs which could provide revised information last summer. Now that all boroughs have updated their returns, the GLA's share of additional growth arising from the 'pilot' in 2019-20 is forecast to be £52.3 million. However, part of the 2018-19 business rates collection fund surplus must be applied for strategic investment. Having regard to the commitments set out in the Memorandum of Understanding agreed with the Government and London Councils for the 2018-19 and 2019-20 pilots, £8.4 million of the estimated business rates collection fund surplus has been applied to the 2019-20 Strategic investment fund (SIF), giving a total allocation of £60.7 million. The lower SIF allocation under the pooling model reflects the higher no detriment guarantee the GLA is entitled to receive, under the pilot agreement based on its pre-pilot 37 per cent share of business rates and the consequential impact on section 31 grants for business rates reliefs it would have received had there been no London wide pool.

Business rates reserve

- 3.10 As set out above, there is great uncertainty in relation to retained business rates income beyond April 2020 and the allocations for 2019-20 and the estimated collection fund surpluses for 2018-19 are forecasts and are likely to change once the outturn for those two financial years is known. The GLA holds a Business Rates Reserve estimated to total £188.2 million as at 31 March 2019 to manage business rates income risk. With the new 'pooling' arrangements there is a more generous safety net threshold which would imply a reduction in the level of this reserve. However, there are number of risks and uncertainties:
- the London business rates retention pool is not guaranteed to continue beyond 2019-20 and it is likely that the levy on growth which has not been applied under the 2018-19 and 2019-20 pilots will be reinstated from April 2020;

- the Government has only committed to implementing 75 per cent business rates retention nationally from April 2020;
- there is ongoing uncertainty around the impact of the new appeals process introduced in April 2017 (as well as a backlog of around 22,000 unresolved appeals in the old 2010 rating list);
- the impact of the reset, reforms to business rates retention and the fair funding review post April 2020 which could reduce the quantum of resources and affect the timing of the receipt of future business rates growth by potentially two financial years; and
- the increased business rates income estimated for 2018-19 and 2019-20 is at this stage based on forecasts. The actual outturn for both years will not be confirmed until summer 2019 and summer 2020 respectively.

3.11 Taking these risks and uncertainties into account, the Executive Director of Resources advises that it would be appropriate to maintain the Business Rates Reserve at its existing level. He proposes that once the outcome of the Spending Review and the reforms of the local government finance system are known, this Reserve would be reviewed.

3.12 Set out below is a summary of the additional council tax and business rates income available in 2019-20. Once billing authorities' returns for 2019-20 are fully analysed the Mayor will review his forecasts of future years business rates income prior to publishing his 2020-21 Budget Guidance, to be issued in summer 2019.

Additional council tax and business rates income now available to be applied compared to draft budget

Detail	£m
Additional business rates funding available in 2018-19	28.8
2018-19 estimated business rates collection fund surplus	24.5
Additional 2018-19 estimated council tax collection fund surplus	10.5
Additional 2019-20 business rates income	173.5
Total additional funding	237.3
Resources required to be allocated to the SIF	-8.4
Total allocated to fund new expenditure	228.9

3.13 Set out overleaf is the Mayor's proposed allocation of the additional income arising from the billing authorities returns. Details of these allocations are described in section 4. The profile of these allocations will be subject to revision once the GLA and its functional bodies finalise their Budgets in March.

Proposed allocation of additional council tax and business rates income to GLA and functional bodies in 2019-20 and future years compared to draft budget

Detail	2019-20 & Later Years £m
GLA:	
Capital programme reserve (allocated in 2018-19)	14.3
Rough sleeping	6.0
Communities and Intelligence projects	4.9
RE:FIT	1.9
Other projects (including Crowdfunding)	1.7
GLA sub-total	28.8
MOPAC:	
Securing funding for 1,000 extra officers	118.6
Further measures to tackle violence and support victims	20.4
MOPAC sub-total	139.0
LFC:	
Fire Cadets	1.1
LFC Sub total	1.1
TfL:	
Diesel scrappage scheme for low income households	25.0
Zero emissions - taxis	24.0
Buses	5.0
London Overground	5.0
Car free day	1.0
TfL sub-total	60.0
OVERALL TOTAL	228.9

4 Budget proposals

Mayor of London

- 4.1 Under the terms of the business rates retention pilot agreement with the Government and London Councils, the Mayor has proposed a second Strategic Investment Pot (SIP) of £60.7 million. This includes £52.3 million in respect of the GLA's share of the incremental growth arising from the London business rates pilot and a further £8.4 million of estimated business rate surplus income for 2018-19 which must be applied for this purpose under the pilot agreement. This will allow a second year of investment in infrastructure projects across London in addition to the £112 million fund established in 2018-19. In addition, the Mayor proposes to enhance the Capital Programme Reserve by £14.3 million to be earmarked for specific new capital projects.
- 4.2 The Mayor proposes to allocate £6 million towards further Rough Sleeping projects in 2019-20. He also proposes further programme spend in the Communities and Intelligence Directorate of £4.9 million over the next few years. A further £1.9 million is to be allocated to RE:FIT which will attract additional matched funding over the next three financial years. Finally, the Mayor proposes provision for some other small projects, including a further Crowdfunding round.
- 4.3 The Mayor's Final Draft Budget now includes annual expenditure in Adult Education of £306 million; £192 million, of which, is in 2019-20.

London Assembly

- 4.4 The Mayor proposes no changes to the London Assembly's gross expenditure.

Mayor's Office for Policing and Crime (MOPAC)

- 4.5 As outlined above, the Mayor has been advised that there is a strong possibility that a technical change will be made to the business rates retention system from 2020-21 onwards which will result in a two-year time lag in the receipt of business rates growth. This forms part of a wider planned simplification of the business rates retention system which appears to have wide support across local government and MHCLG Ministers appear to be actively considering implementing.
- 4.6 In last year's budget the Mayor agreed to fund 1,000 more officers than would otherwise be affordable using £59.3 million of business rates income prudently regarded by the Executive Director of Resources as expected to recur in future years. Given the changes which the GLA expects the Government to make to the timing of the payment of growth under business rates retention system from April 2020 – which command broad local government support – and in order to secure the Mayor's commitment on 1,000 more officers, he is earmarking £118.6 million in 2019-20 from business rates growth in that year to MOPAC to secure this funding for 2020-21 and 2021-22. This reflects the likelihood under this expected new system that the GLA will not receive the business rates growth for those two financial years as previously expected until the 2022-23 and 2023-24 local government finance settlements.

- 4.7 The Mayor is also proposing to commit £20.4 million to take further measures to tackle violence. This will support continued implementation of his Violence Against Women and Girls strategy and further measures to counter serious youth violence, including to tackle gangs and enhanced provision at Hospital Accident and Emergency units.

London Fire Commissioner (LFC)

- 4.8 As part of his aim to provide positive opportunities to young people, the Mayor is proposing to allocate to the LFC an additional £1.1 million to establish a fire cadet unit in every London Borough. This provision will create 15 new cadet units and take the number of cadets to over 500 — more than double the current total.

Transport for London (TfL)

- 4.9 The Mayor proposes to allocate £25 million to a new diesel scrappage scheme targeted at low income households. This is in addition to his previous announcement of a £23 million scrappage scheme for vans used by micro-businesses.
- 4.10 The Mayor proposes to allocate £24 million to increase the size of the enhanced taxi delicensing scheme, recognising the significant contribution taxis make to air pollution in London and in response to very high demand for the scheme from the taxi trade.
- 4.11 In addition, the Mayor proposes to allocate an additional £5 million for buses, £5 million to London Overground and provide £1 million for a Car Free Day in September 2019.

London Legacy Development Corporation (LLDC)

- 4.12 The Mayor proposes no changes to the LLDC's Budget.

Old Oak and Park Royal Development Corporation (OPDC)

- 4.13 The Mayor proposes no changes to OPDC's Budget.

5 The Impact on Local Taxpayers and Council Tax Referendum Issues

- 5.1 Details of the provisions for the holding of council tax referendums are set out in Part 3 of the Budget documents. The council tax referendum principles for 2019-20 were approved by the House of Commons on 5 February 2019. The published draft excessiveness principles state that an increase of more than £26.28 in the GLA's relevant adjusted basic amount of council tax (i.e. the total precept payable in the 32 boroughs) and/or an increase of 3 per cent or more (i.e. more than £2.28) in the unadjusted basic amount (i.e. the non police precept payable by taxpayers in the City of London) are deemed excessive for the purposes of the council tax referenda principles agreed by the Government and would therefore require a referendum to be held. Accordingly, the Mayor makes a formal determination that his Final Draft Budget is compliant with the council tax referendum principles and that no referendum would be required to be held if his Budget is agreed without any amendment.

6 Recommendations Concerning the Final Draft Consolidated Council Tax Requirement

- 6.1 The Mayor is required to determine consolidated and component council tax requirements for 2019-20 and it is these that the Assembly has the power to amend. The individual Mayor, Assembly and functional body council tax requirements are aggregated to form the consolidated council tax requirement for the GLA Group. This requirement forms the GLA Group precept which is part of the Council Tax bill for households across Greater London collected by the 33 “billing authorities” (the 32 boroughs and City of London Corporation).
- 6.2 In considering the Mayor's budget proposals and any amendments they wish to make at this stage, Assembly Members must also consider the need to secure a financially balanced budget and achieve a balance between the statutory and discretionary responsibilities for the provision of services and the burden upon those required to finance the net cost.
- 6.3 In commending the budget proposals to the Assembly, the Mayor believes that Londoners recognise and support his plans to increase the police and non-police precepts to the maximum possible amounts without triggering a referendum to help maintain police officer numbers and to continue to provide the fire service with the resources it needs, in order to protect Londoners.
- 6.4 The Mayor is satisfied that he has weighed respective interests fairly and that his increase in the council tax will help the front-line service delivery of his statutory and discretionary responsibilities. The Mayor believes that the proposals will make a significant contribution to improving Londoners' quality of life and supporting London's economy.
- 6.5 On the basis of the information set out in this statement and accompanying documents, it is recommended that the Assembly approves, without amendment, the Mayor's Final Draft Consolidated Budget and the consolidated council tax requirement for the GLA and the functional bodies (GLA Group) of £960,569,108 as contained in Annex A.
- 6.6 The council tax requirement is after applying the GLA's share of the net surplus or deficit on the collection funds of the 33 billing authorities of £22.14 million which is split between the component budget for the Mayor of London and MOPAC for the purpose of these statutory calculations under sections 85 to 88 of the GLA Act.
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6.7 The Mayor's final draft consolidated council tax requirement is made up as follows:

Constituent body	Component council tax requirement
Mayor of London	£67,600,667
London Assembly	£2,612,508
Mayor's Office for Policing and Crime	£725,203,122
London Fire Commissioner	£159,152,810
Transport for London	£6,000,000
London Legacy Development Corporation	£NIL
Old Oak and Park Royal Development Corporation	£NIL
Total Consolidated Council Tax Requirement	£960,569,108

Annex A

Final draft consolidated component and consolidated council tax requirements 2019-20

Greater London Authority: Mayor of London (“Mayor”) final draft component budget

Line	Sum	Description
1	£707,145,784	estimated expenditure of the Mayor for the year calculated in accordance with s85(4)(a) of the GLA Act
2	£1,000,000	estimated allowance for contingencies for the Mayor under s85(4)(b) of the GLA Act
3	£0	estimated reserves to be raised for meeting future expenditure of the Mayor under s85(4)(c) of the GLA Act
4	£0	estimate of reserves to meet a revenue account deficit of the Mayor under s85(4)(d) of the GLA Act reflecting the collection fund deficit for retained business rates
5	£708,145,784	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the Mayor (lines (1) + (2) + (3) + (4) above)
6	-£225,900,000	estimate of the Mayor’s income not in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
7	-£192,000,000	estimate of the Mayor’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
8	£0	estimate of the Mayor’s income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
9	-£127,481,947	estimate of the Mayor’s income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
10	-£3,663,170	estimate of the Mayor’s share of any net collection fund surplus for the 33 London billing authorities for council tax calculated in accordance with s85(5)(a) of the GLA Act
11	-£549,045,117	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (6) + (7) + (8) + (9) + (10))
12	-£91,500,000	estimate of Mayor’s reserves to be used in meeting amounts in line 5 above under s85(5)(b) of the GLA Act
13	-£640,545,117	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for the Mayor (lines (11) + (12) above)
14	£67,600,667	the component council tax requirement for the Mayor (being the amount by which the aggregate at (5) above exceeds the aggregate at (13) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for the Mayor for 2019-20 is £67,600,667.

Greater London Authority: London Assembly (“Assembly”) final draft component budget

Line	Sum	Description
15	£8,000,000	estimated expenditure of the Assembly for the year calculated in accordance with s85(4)(a) of the GLA Act
16	£0	estimated allowance for contingencies for the Assembly under s85(4)(b) of the GLA Act
17	£0	estimated reserves to be raised for meeting future expenditure of the Assembly under s85(4)(c) of the GLA Act
18	£0	estimate of reserves to meet a revenue account deficit of the Assembly under s85(4)(d) of the GLA Act
19	£8,000,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the Assembly (lines (15) + (16) + (17) + (18) above)
20	£0	estimate of the Assembly’s income not in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
21	£0	estimate of the Assembly’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
22	£0	estimate of the Assembly’s income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
23	-£5,187,492	estimate of the Assembly’s income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
24	£0	estimate of the Assembly’s share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
25	-£5,187,492	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (line (20) + (21) + (22) + (23) + (24))
26	-£200,000	estimate of Assembly’s reserves to be used in meeting amounts in lines 19 above under s85(5)(b) of the GLA Act
27	-£5,387,492	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for the Assembly (lines (25) + (26) above)
28	£2,612,508	the component council tax requirement for the Assembly (being the amount by which the aggregate at (19) above exceeds the aggregate at (27) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for the Assembly for 2019-20 is £2,612,508.

Mayor's Office for Policing and Crime ("MOPAC") final draft component budget

Line	Sum	Description
29	£3,556,650,380	estimated expenditure of the MOPAC calculated in accordance with s85(4)(a) of the GLA Act
30	£0	estimated allowance for contingencies for the MOPAC under s85(4)(b) of the GLA Act
31	£132,970,000	estimated reserves to be raised for meeting future expenditure of the MOPAC under s85(4)(c) of the GLA Act
32	£0	estimate of reserves to meet a revenue account deficit of the MOPAC under s85(4)(d) of the GLA Act
33	£3,689,620,380	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the MOPAC (lines (29) + (30) + (31) + (32) above)
34	-£259,974,900	estimate of the MOPAC's income not in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
35	-£509,300,000	estimate of the MOPAC's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
36	-£1,927,122,480	estimate of the MOPAC's income in respect of general government grants (revenue support grant, core Home Office police grant and principal police formula grant) calculated in accordance with s85(5)(a) of the GLA Act
37	-£219,979,115	estimate of the MOPAC's income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
38	-£18,480,763	estimate of MOPAC's share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
39	-£2,934,857,258	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (34) + (35) + (36) + (37) + (38))
40	-£29,560,000	estimate of MOPAC's reserves to be used in meeting amounts in line 33 above under s85(5)(b) of the GLA Act
41	-£2,964,417,258	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for the MOPAC (lines (39) + (40) above)
42	£725,203,122	the component council tax requirement for MOPAC (being the amount by which the aggregate at (33) above exceeds the aggregate at (41) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for the MOPAC for 2019-20 is £725,203,122.

London Fire Commissioner (“LFC”) final draft component budget

Line	Sum	Description
43	£450,259,805	estimated expenditure of LFC for the year calculated in accordance with s85(4)(a) of the GLA Act
44	£0	estimated allowance for contingencies for LFC under s85(4)(b) of the GLA Act
45	£0	estimated reserves to be raised for meeting future expenditure of LFC under s85(4)(c) of the GLA Act
46	£0	estimate of reserves to meet a revenue account deficit of LFC under s85(4)(d) of the GLA Act
47	£450,259,805	aggregate of the amounts for the items set out in s85(4) of the GLA Act for LFC (lines (43) + (44) + (45) + (46) above)
48	-£38,369,000	estimate of LFC’s income not in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
49	-£12,492,000	estimate of LFC’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
50	£0	estimate of LFC’s income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
51	-£233,151,800	estimate of LFC’s income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
52	£0	estimate of LFC’s share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
53	-£284,012,800	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (48) + (49) + (50) + (51) + (52))
54	-£7,094,195	estimate of LFC’s reserves to be used in meeting amounts in line 47 above under s85(5)(b) of the GLA Act
55	-£291,106,995	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LFC (lines (53) + (54) above)
56	£159,152,810	the component council tax requirement for LFC (being the amount by which the aggregate at (47) above exceeds the aggregate at (55) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for LFC for 2019-20 is £159,152,810.

Transport for London (“TfL”) final draft component budget

Line	Sum	Description
57	£7,452,700,000	estimated expenditure of TfL for the year calculated in accordance with s85(4)(a) of the GLA Act
58	£0	estimated allowance for contingencies for TfL under s85(4)(b) of the GLA Act
59	£0	estimated reserves to be raised for meeting future expenditure of TfL under s85(4)(c) of the GLA Act
60	£0	estimate of reserves to meet a revenue account deficit of TfL under s85(4)(d) of the GLA Act
61	£7,452,700,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the TfL (lines (57) + (58) + (59) + (60) above)
62	-£5,949,100,000	estimate of TfL’s income not in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
63	-£42,600,000	estimate of TfL’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
64	£0	estimate of TfL’s income in respect of general government grants (revenue support grant and GLA Transport General Grant) calculated in accordance with s85(5)(a) of the GLA Act
65	-£1,455,000,000	estimate of TfL’s income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
66	£0	estimate of TfL’s share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
67	-£7,446,700,000	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act for TfL (lines (62) + (63) + (64) + (65) + (66) above)
68	£0	estimate of TfL’s reserves to be used in meeting amounts in line 61 above under s85(5) (b) of the GLA Act
69	-£7,446,700,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act (lines (67) + (68))
70	£6,000,000	the component council tax requirement for TfL (being the amount by which the aggregate at (61) above exceeds the aggregate at (69) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for TfL for 2019-20 is £6,000,000.

London Legacy Development Corporation (“LLDC”) final draft component budget

Line	Sum	Description
71	£45,800,000	estimated expenditure of LLDC for the year calculated in accordance with s85(4)(a) of the GLA Act
72	£0	estimated allowance for contingencies for LLDC under s85(4)(b) of the GLA Act
73	£0	estimated reserves to be raised for meeting future expenditure of LLDC under s85(4)(c) of the GLA Act
74	£0	estimate of reserves to meet a revenue account deficit of LLDC under s85(4)(d) of the GLA Act
75	£45,800,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for LLDC (lines (71) + (72) + (73) + (74) above)
76	-£25,116,000	estimate of LLDC’s income not in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
77	£0	estimate of LLDC’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
78	£0	estimate of LLDC’s income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
79	-£20,684,000	estimate of LLDC’s income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
80	£0	estimate of LLDC’s share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
81	-£45,800,000	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (76) + (77) + (78) + (79) + (80))
82	£0	estimate of LLDC’s reserves to be used in meeting amounts in line 75 above under s85(5)(b) of the GLA Act
83	-£45,800,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LLDC (lines (81) + (82) above)
84	£0	the component council tax requirement for LLDC (being the amount by which the aggregate at (75) above exceeds the aggregate at (83) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for the LLDC for 2019-20 is £0 (£NIL).

Old Oak and Park Royal Development Corporation (“OPDC”) final draft component budget

Line	Sum	Description
85	£11,000,000	estimated expenditure of OPDC for the year calculated in accordance with s85(4)(a) of the GLA Act
86	£0	estimated allowance for contingencies for OPDC under s85(4)(b) of the GLA Act
87	£0	estimated reserves to be raised for meeting future expenditure of OPDC under s85(4)(c) of the GLA Act
88	£0	estimate of reserves to meet a revenue account deficit of OPDC under s85(4)(d) of the GLA Act
89	£11,000,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for OPDC (lines (85) + (86) + (87) + (88) above)
90	-£1,500,000	estimate of OPDC’s income not in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
91	£0	estimate of OPDC’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
92	£0	estimate of OPDC’s income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
93	-£9,500,000	estimate of OPDC’s income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
94	£0	estimate of OPDC’s share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
95	-£11,000,000	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (90) + (91) + (92) + (93) + (94))
96	£0	estimate of OPDC’s reserves to be used in meeting amounts in line 89 above under s85(5)(b) of the GLA Act
97	-£11,000,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for OPDC (lines (95) + (96) above)
98	£0	the component council tax requirement for OPDC (being the amount by which the aggregate at (89) above exceeds the aggregate at (97) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for the OPDC for 2019-20 is £0 (£NIL).

Greater London Authority (“GLA”) final draft consolidated council tax requirement calculation incorporating the component council tax requirements for the Greater London Authority (Mayor), Greater London Authority (Assembly), the Mayor’s Office for Policing and Crime (MOPAC), the London Fire Commissioner (LFC), Transport for London (TfL), the London Legacy Development Corporation (LLDC) and the Old Oak and Park Royal Development Corporation (OPDC).

Line	Sum	Description
99	£960,569,108	the GLA’s consolidated council tax requirement (the sum of the amounts in lines (14) + (28) + (42) + (56) +(70) +(84) + (98) calculated in accordance with section 85(8) of the GLA Act)

The final draft consolidated council tax requirement for the GLA for 2019-20 is £960,569,108

Aggregate GLA Group budget for 2019-20

Estimated Expenditure

£	GLA Mayor	GLA Assembly	MOPAC	LFC	TfL	LLDC	OPDC	Total
Estimated expenditure	£707,145,784	£8,000,000	£3,556,650,380	£450,259,805	£7,452,700,000	£45,800,000	£11,000,000	£12,231,555,969
Estimated allowance for contingencies	£1,000,000	£0	£0	£0	£0	£0	£0	£1,000,000
Estimated reserves to be raised for meeting future expenditure	£0	£0	£132,970,000	£0	£0	£0	£0	£118,600,000
Estimate of reserves to meet a revenue account deficit including forecast collection fund deficit for retained business rates	£0	£0	£0	£0	£0	£0	£0	£0
Estimated total expenditure	£708,145,784	£8,000,000	£3,689,620,380	£450,259,805	£7,452,700,000	£45,800,000	£11,000,000	£12,365,525,969

Estimated Income and Calculation of Council Tax Requirement

£	GLA Mayor	GLA Assembly	MOPAC	LFC	TfL	LLDC	OPDC	Total
Estimate of non-government grant income	-£225,900,000	£0	-£259,974,000	-£38,369,000	-£5,949,100,000	-£25,116,000	-£1,500,000	-£6,499,959,900
Estimate of specific government grant income	-£192,000,000	£0	-£509,300,000	-£12,492,000	-£42,600,000	£0	£0	-£756,392,000
Estimate of general government grant income	£0	£0	-£1,927,122,480	£0	£0	£0	£0	-£1,927,122,480
Estimate of Retained Business Rates income	-£127,481,947	-£5,187,492	-£219,979,115	-£233,151,800	-£1,455,000,000	-£20,684,000	-£9,500,000	-£2,070,984,354
Collection fund surplus for council tax	-£3,663,170	£0	-£18,480,763	£0	£0	£0	£0	-£22,143,933
Estimated total income before use of reserves	-£549,045,117	-£5,187,492	-£2,934,857,258	-£284,012,800	-£7,446,700,000	-£45,800,000	-£11,000,000	-£11,276,602,667
Estimate of reserves to be used	-£91,500,000	-£200,000	-£29,560,000	-£7,094,195	£0	£0	£0	-£128,354,195
Estimated total income after use of reserves	-£640,545,117	-£5,387,492	-£2,964,417,258	-£291,106,995	-£7,446,700,000	-£45,800,000	-£11,000,000	-£11,404,956,862
Council tax requirement	£67,600,667	£2,612,508	£725,203,122	£159,152,810	£6,000,000	£0.00	£0.00	£960,569,108
COUNCIL TAXBASE	3,002,883.21	3,002,883.21	2,995,098.18	3,002,883.21	3,002,883.21	3,002,883.21	3,002,883.21	
BAND D COUNCIL TAX £	£22.51	£0.87	£242.13	£53.00	£2.00	£0.00	£0.00	£32.51