

MAYOR OF LONDON

Victoria Hills

Chief Executive
OPDC
169 Union Street
London SE1 0LL

Date: 06 DEC 2016

Dear Victoria,

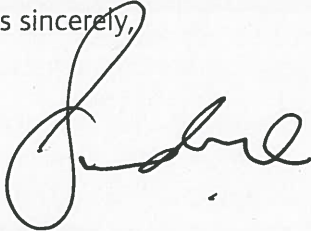
Budget Proposals 2017-18

1. The purpose of this letter is to consult you before I prepare a draft component budget for OPDC for 2017-18 in accordance with the provisions of paragraph 2 of schedule 6 of the Greater London Authority Act 1999 (the GLA Act). It also allows me to describe in more detail the process for finalising my Budget and clarify requirements for your budget submission.
2. Although the intention is to issue my Draft Budget Consultation Document as soon as practical, it will not be finalised until after the Provisional Local Government Finance and Police Grant Settlements are published. These announcements may not be received until mid-December.
3. Subject to considering any comments that OPDC would wish to make, and the impact of the actual 2017-18 Local Government Settlement, my present intention would be to prepare a draft component budget for 2017-18 that will require the GLA to pay to OPDC under Section 102 of the GLA Act 1999, as amended, an amount equivalent to £6.9m. I provisionally intend to hold future year's payments at this same level, less an assumed reduction of £0.1m each year.
4. However, in order for OPDC to undertake work to develop a 'self-financing' package, I will hold a contingency of £1m in 2017-18 that, subject to a more detailed plan being developed and agreed, OPDC might draw down from the GLA during 2017-18.
5. On the basis of the funding assumptions set out above, I require that your proposals fully balance the budget for 2017-18. I also require that you make a full submission of all the information previously specified.
6. My finance officers have written separately to your finance officers setting out the agreed format and templates for your budget submission. In order that my Budget Consultation Document can be prepared in a consistent and efficient fashion, I would be grateful if you could ensure that your submission complies with these requirements. May I also remind you that your budget submission should be placed on your website as soon as practical after its submission.

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7. Please send the information specified in this letter to David Gallie, Assistant Director – Group Finance at the GLA, by email at david.gallie@london.gov.uk and GLABudget@london.gov.uk as soon as possible, and no later than Wednesday 7 December 2016.

Yours sincerely,



Sadiq Khan
Mayor of London

Cc: David Bellamy, Chief of Staff
Martin Clarke, Executive Director of Resources, GLA
David Gallie, Assistant Director – Group Finance, GLA
Doug Wilson, Chief Finance Officer, OPDC