

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD1611

Title: 2016-17 Council Tax and Precept and Communication to Council Taxpayers

Executive Summary:

The Mayor's final draft budget for 2016-17 was considered at the meeting of the London Assembly held on 22 February 2016. The Assembly made no amendment to this 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 boroughs and the City of London) as set out at Appendix A.

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. 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:

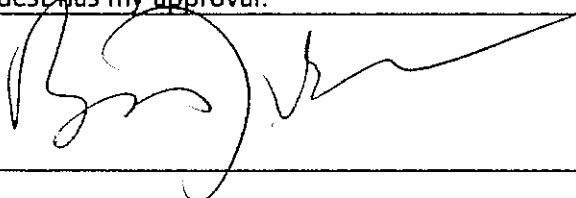
- (a) To agree the calculations for 2016-17 for:
- the amount of the consolidated council tax requirement for the Greater London Authority of £774,343,355 and the proposed Band D equivalent council tax precepts (£276.00 in the 32 London boroughs and £73.89 in the Common Council of the City of London);
 - the tax for different valuation bands; and
 - 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 22 February 2016.
- (b) To agree to the issue of the GLA precept data for 2016-17 to the 33 council tax billing authorities (the 32 London boroughs and the Common Council of the City of London).
- (c) To formally approve both the alternative versions of the 2016-17 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 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: 22.02.2016

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 2016-17 was considered at the meeting of the London Assembly held on 22 February 2016. The Assembly made no amendment to the final draft budget and this budget is therefore the Authority's consolidated budget 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 29 February 2016. This decision form asks the Mayor to approve the Band D council tax and precepts on the 33 London billing authorities for 2016-17 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.

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. These figures are rounded to the nearest pound.

<i>Constituent body</i>	<i>Component council tax requirement</i>
Mayor of London	£60,833,212
London Assembly	£2,615,000
Mayor's Office for Policing and Crime	£566,657,143
London Fire and Emergency Planning Authority	£138,238,000
Transport for London	£6,000,000
London Legacy Development Corporation	£NIL
Old Oak and Park Royal Development Corporation	£NIL
Total Consolidated Council Tax Requirement	£774,343,355

- 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 –

Item (A) 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 £73.89;

Item (B) the basic amount of council tax including the special item for the MOPAC (which does not apply in the area of the Common Council of the City of London which has its own police force). This is calculated by dividing the council tax requirement for the MOPAC by the council tax base for the Metropolitan Police District area (i.e. excluding the City of London). This is calculated as £202.11.

- 2.3 Items A and B are added together to determine the Mayor's precept for the 32 London boroughs. For 2016-17 this is £276.00 for a Band D property. Item A is the precept applying in the area of the Common Council of the City of London only (£73.89 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 £276.00 in each of the 32 boroughs and £73.89 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 2015-16 which will be added to or deducted from the precept amount shown.
- 2.5 Appendix B contains two alternative versions of the explanatory information (i.e. the council tax leaflet text) for 2016-17 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 3.5 million properties liable to council tax, its estimated 298,000 non domestic ratepayers (who may also receive this information at the discretion of their billing authorities) as well as Londoners more generally on the 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 2012 Local Government Finance Act 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 or made available on billing authority websites. Where the supporting information is made available on billing authority websites only taxpayers should be provided with the web address in their billing information. Council taxpayers may also request a hard copy to be supplied to them by post if the policy to provide the information by website is adopted.
- 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 in order to reduce the cost of their council tax billing process. 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 precepting (e.g. the GLA in London), levying (e.g. the London Pensions Fund Authority and Lee Valley Regional Park Authority) and billing authorities. Printing and billing deadlines mean that billing authorities require the leaflet information as soon as is practicable.
- 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 22 February 2016 on the GLA website.
 - Requesting the functional bodies place their budgets on their own websites.
 - Making copies available for inspection at City Hall.

3. Equality comments

- 3.1 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 protected characteristic and those who do not, under section 149 of the Equality Act 2010. This involves having due regard to the need to remove or minimise any disadvantage suffered by those who share a relevant protected characteristic that is connected to that 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 "protected" characteristics and groups are: age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation and marriage/ civil partnership status. 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 the Mayor's 20-20 Vision or any other 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 July 2015 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 July and November 2015;
 - budget submissions scrutinised and approved by the functional bodies before formal submission to the Mayor in November 2015;

- the Mayor's draft budget proposals considered, prepared and issued for consultation on 21 December 2015;
- consultation undertaken on that document between 21 December 2015 to 12 January 2016;
- 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 27 January 2016 and approved without amendment; and
- the presentation of the Mayor's final draft budget which was approved without amendment by the Assembly on 22 February 2016.

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 22 February.

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 Referendums Relating to Council Tax Increases (Principles) (England) Report 2016/2017, approved by the House of Commons on 10 February 2016 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.

4.7 There are no further implications for risk management therefore as these have been addressed as part of the budgetary process.

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 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 This section deals with legal matters not mentioned elsewhere in this Decision. Under Schedule 6 to the GLA Act, which sets out the procedure for the setting of the GLA budget, the Mayor must present a draft consolidated budget to the Assembly. This was considered by the London Assembly at its meeting on 27 January. The Assembly approved the Draft Consolidated Budget without amendment.

6.2 On 12 February the Mayor published his final draft budget. After considering the Mayor's final draft budget and supporting material at its meeting on 22 February 2016, the final draft budget was 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.

6.3 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. The GLA intends to make the final budget available on its website.

7. Investment & Performance Board

7.1 This decision has not been considered by the Investment and Performance Board as it does not relate to the approval of a specific GLA programme or project. However the Mayor's budget has been consulted on and approved in line with the statutory process set out in the GLA Act – particularly sections 83 to 92 and schedule 6 so has been subject to significant external and internal scrutiny.

8. Planned delivery approach and next steps

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

Activity	Timeline
Final precept notifications and supporting explanatory information will be circulated to all 33 London billing authorities	22 Feb 2016
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 2016

Appendices and supporting papers:

Appendix A – GLA council tax requirement and precept calculations for 2016-17

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 2016-17 and Assembly decision in relation to this at its meeting on 22 February 2016

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

GLA council tax requirement and precept calculations for 2016-17

Line	Sum	Description
(1)	£774,343,355	the GLA's consolidated council tax requirement R – as specified in section 88 (2) of the GLA Act
(2)	£566,657,143	the special item (item A) – the Mayor's Office for Policing and Crime component council tax requirement for the Metropolitan Police District
(3)	£207,686,212	the amount shown in line (1) less the amount shown in line (2)
(4)	2,810,748.56	the Greater London Authority's council tax base (T) for the whole of its area (calculated in accordance with the Local Authorities (Calculation of Council Tax Base)(Amendment-Greater London Authority) Regulations 1999 (S.I. 1999/3437))
(5)	£73.89	the Greater London Authority's basic amount of council tax, calculated in accordance with section 88 of the GLA Act (line (3) divided by line (4)): (also equivalent to the basic amount of council tax for the City of London)
(6)	£566,657,143	the special item (item S2) – the MOPAC component council tax requirement – as set out in line (2) above
(7)	2,803,706.61	the Greater London Authority's council tax base (TP2) for the part of Greater London which consists of the metropolitan police district (calculated in accordance with the Local Authorities (Calculation of Council Tax Base)(Amendment-Greater London Authority) Regulations 1999 S.I. 1999/3437))
(8)	£202.11	the additional amount of council tax in respect of the special item for the Metropolitan Police Area calculated in accordance with section 89 of the GLA Act (line (6) divided by line (7))
(9)	£276.00	the basic amount of council tax for the 32 London boroughs calculated in accordance with section 88(3) of the GLA Act (the amount shown in line (5) plus the amount shown in line (8))

Lines 5, 8 and 9 are rounded to the nearest whole penny.

Amounts of council tax for different valuation bands

The amount of council tax (in £) for each category of dwellings shown in column 1 in Table A below (i.e. the property valuation band), is, for the 32 London boroughs, the amount shown in column 3 of Table A below. This is given by multiplying the amount at line (9) in the table above by the proportion shown in column 2 of Table A below. It is calculated in accordance with section 92 of the GLA Act 1999 ("the GLA Act"), and sections 5 and 47 of the Local Government Finance Act 1992 ("the 1992 Act") as amended by the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2011. These amounts must be stated on the precept to be issued to each London borough council in accordance with section 40(2)(a) of the 1992 Act as amended and section 83 of the GLA Act.

The amount of council tax for each category of dwellings shown in column 1 in Table A below is, for the City of London, the amount shown in column 4 of Table A below. This is given by multiplying the amount at line (5) above by the proportion shown in column 2 of Table A below. It is calculated in accordance with section 92 of the Act, and sections 5 and 47 of the 1992 Act, as amended. These amounts must be stated on the precept to be issued to the Common Council of the City of London in accordance with section 40(2)(a) of the 1992 Act, as amended and section 83 of the GLA Act.

The proportion in column 2 of Table A below is calculated by dividing the number set out in section 5(1) of the 1992 Act, as applicable to dwellings listed in the valuation band by the number applicable to dwellings listed in valuation band D, in accordance with section 5 of the 1992 Act as amended.

TABLE A

1	2	3	4
Valuation Band	Proportion by which basic amount must be multiplied under section 5 of the 1992 Act.	London borough councils: (the amount shown in line (9) in the table above multiplied by the proportion shown in column 2 of this table)	Common Council of the City of London: (the amount shown in line (5) in the table above multiplied by the proportion shown in column 2 of this table)
A	6/9	£184.00	£49.26
B	7/9	£214.67	£57.47
C	8/9	£245.33	£65.68
D	1	£276.00	£73.89
E	11/9	£337.33	£90.31
F	13/9	£398.67	£106.73
G	15/9	£460.00	£123.15
H	18/9	£552.00	£147.78

Amount of the precept issues to each billing authority

The amount to be stated on the precept to be issued to each billing authority in accordance with section 40(2)(b) of the 1992 Act, is stated in column 4 of Table B below. It is calculated in accordance with section 48 of the 1992 Act and section 93 of the GLA Act by multiplying the tax base shown in column 2 of Table B below by the amount shown in column 3 of Table B below.

TABLE B

1	2	3	4
Billing Authority	Tax Base of the billing authority (Item T in section 33(1) of the 1992 Act)	Basic amount of council tax for the billing authority (Item C in section 48 of the 1992 Act) (£)	Amount to be shown on precept under section 40(2)(b) of the 1992 Act (£)
City of London	7,041.95	73.89	520,329.69
<i>Inner London Boroughs</i>			
Camden	88,000.00	276.00	24,288,000.00
Greenwich	74,337.74	276.00	20,517,216.24
Hackney	66,624.00	276.00	18,388,224.00
Hammersmith	74,041.00	276.00	20,435,316.00
Islington	75,339.60	276.00	20,793,729.60
Kensington and Chelsea	94,903.00	276.00	26,193,228.00
Lambeth	100,789.00	276.00	27,817,764.00
Lewisham	78,528.58	276.00	21,673,888.08
Southwark	91,231.00	276.00	25,179,756.00
Tower Hamlets	83,493.00	276.00	23,044,068.00
Wandsworth	125,734.00	276.00	34,702,584.00
Westminster	125,181.13	276.00	34,549,991.88
<i>Outer London Boroughs</i>			
Barking and Dagenham	45,744.57	276.00	12,625,501.32
Barnet	135,324.00	276.00	37,349,424.00
Bexley	78,772.00	276.00	21,741,072.00
Brent	89,254.00	276.00	24,634,104.00
Bromley	126,656.00	276.00	34,957,056.00
Croydon	117,795.00	276.00	32,511,420.00
Ealing	109,312.13	276.00	30,170,147.88
Enfield	94,317.00	276.00	26,031,492.00
Haringey	72,175.00	276.00	19,920,300.00
Harrow	82,000.00	276.00	22,632,000.00
Havering	85,474.00	276.00	23,590,824.00
Hillingdon	95,770.00	276.00	26,432,520.00
Hounslow	80,169.56	276.00	22,126,798.56
Kingston upon Thames	60,346.00	276.00	16,655,496.00
Merton	71,327.00	276.00	19,686,252.00
Newham	68,527.00	276.00	18,913,452.00
Redbridge	83,337.00	276.00	23,001,012.00
Richmond upon Thames	86,753.10	276.00	23,943,855.60
Sutton	70,569.20	276.00	19,477,099.20
Waltham Forest	71,882.00	276.00	19,839,432.00
TOTAL			774,343,355

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

Long Version (Greater London Authority's Preferred Text)

GREATERLONDONAUTHORITY

Introduction

The Mayor of London is committed to achieving value for money for Londoners and supporting London's economic growth. This guide explains how your council tax pays for Greater London Authority (GLA) services. **For the fifth year running the Mayor is cutting his part of the council tax.** This means that he has reduced it by ten per cent in cash terms during his second term.

The current financial climate means the public sector must provide better public services with fewer resources. This year's budget has required some tough choices to be made. Within this context it seeks to protect the key services Londoners expect from the Mayor - safer streets, investment in transport infrastructure and more affordable housing.

Council tax and budget information

The GLA's share of the council tax for a typical Band D property has been reduced by £19 to £276. The table below shows how this is allocated. A Band D council taxpayer in the City of London, which has its own police force, will pay £73.89.

Council Tax (£)	2015-16	Change	2016-17
MOPAC (Met Police)	208.87	-6.76	202.11
LFEPA (Fire Brigade)	50.85	-3.81	47.04
GLA and Olympics	33.07	-8.35	24.72
TfL (Transport)	2.21	-0.08	2.13
Total (£)	295.00	-19.00	276.00

Controlling costs at City Hall (core GLA)

The Mayor's budget includes large savings and efficiencies across the GLA group in 2016-17. These savings have allowed the Mayor to reduce his precept on London council taxpayers and release resources to meet his key priorities.

The Mayor is increasing the supply of affordable homes, over and above the 100,000 new homes he has already provided since 2008. This is being done through new approaches, like creating over 20 new Housing Zones. He also uses his budget to help make London a cleaner, greener and safer city. Other investment helps to regenerate town centres across London. Through the GLA group's work, he also creates over 200,000 new jobs and apprenticeship opportunities for young Londoners.

The Mayor's Policing and Crime Plan has set the Metropolitan Police Service (MPS) a challenge to cut high impact, high volume neighbourhood crimes by 20 per cent and increase public confidence by at least 20 per cent. At the same time, the MPS has been provided with the resources to maintain police officer numbers at around 32,000.

The Mayor's Office for Policing and Crime (MOPAC) is also changing the MPS. It has:

- increased the percentage of frontline officers, up from 42.3 per cent in March 2013 to 54.1 per cent in September 2015;
- put 2,600 extra officers into local neighbourhoods;
- launched the largest rollout of body-worn video technology in any city in the world, with 22,000 cameras being provided for police officers; and
- made the MPS more diverse than at any other time in its history.

Transport for London (TfL)

With London's population forecast to grow by one million in the next decade, TfL is investing in making the transport network more reliable and accessible. Planned investment by TfL over this period includes:

- new signalling on the Circle, District, Metropolitan and Hammersmith & City lines, to help increase capacity and reliability;
- upgrading Victoria, Bond Street, Bank, Tottenham Court Road and Finsbury Park stations;
- introducing a new 24-hour Tube service at weekends on key lines during 2016;
- working with London boroughs to maintain existing concessionary travel schemes. This includes free 24 hour travel for the over 60s, the disabled, armed forces personnel in uniform and eligible war veterans with discounts on travelcards available for apprentices;
- completing Crossrail by 2019 which will increase London's rail capacity by ten per cent and extending the Northern Line to Nine Elms and Battersea;
- increasing capacity by 50 per cent on the Wimbledon to Croydon tram service;
- investing £250 million to help meet the Mayor's target of over 50 per cent of Rail and Underground stations being step-free by 2018;
- electrifying the Gospel Oak to Barking London Overground line and extending this to Barking Riverside;
- investing £4 billion to improve the safety and quality of London's roads for all users by 2022; and
- investing £913 million over the next decade to make cycling safer by creating safer junctions, segregated cycle routes and Quietways on less busy streets with a further £200 million on bus priority schemes.

London Fire and Emergency Planning Authority (LFEPA)

LFEPA is working to become a more efficient and effective organisation. The aim is to balance the authority's budget while seeking to protect, and where possible, improve the London Fire Brigade's response times. LFEPA also promotes community safety and fire prevention. It ensures that buildings in London conform to fire safety standards in order to protect both Londoners and visitors to the capital.

London Legacy Development Corporation (LLDC)

The LLDC was set up by the Mayor to ensure that London benefits from a lasting legacy from the 2012 Olympic and Paralympic Games. The Olympic Stadium will reopen permanently this summer before the start of the 2016-17 football season, while by 2030, there will be over 10,000 new homes in Stratford's Queen Elizabeth Olympic Park. The Mayor's budget will also support his £1.3 billion Olympicopolis project which will see a new world class education and cultural district created in the park.

Old Oak and Park Royal Development Corporation (OPDC)

The OPDC will help create 65,000 new jobs and over 25,000 new homes in this part of west London over the next 20 years. It will build on the regeneration that will be brought to the area by the new High Speed 2 (HS2), Crossrail and Great West Mainline stations at Old Oak Common.

Summary of GLA group budget

The tables below set out the GLA's funding sources, the reasons for the year on year budget change and how we calculate the sum to be collected from the council tax (the council tax requirement).

How the GLA budget is funded (£m)	2016-17
Gross expenditure	11,481
Government grants and retained business rates	-3,985
Fares, charges and other income	-6,578
Use of reserves	-144
Amount met by council tax payers	774

Changes in spending (£m)	2016-17
2015-16 council tax requirement	801
Inflation	193
Efficiencies and other savings	-304
New investment to improve services	164
Other changes (for example fares revenue)	-80
2016-17 council tax requirement	774

Detailed budget by service area

The table below compares the GLA group's expenditure on policing, fire and other services (including transport) in 2016-17 with 2015-16.

The reduction in gross expenditure reflects the impact of the phased ending of the contribution of London council taxpayers to fund the 2012 Games and the assumed profiling of transport investment. This is offset by an increase of nearly £50 million in the police budget. Overall the council tax requirement has fallen mainly because of the £19 drop in the Mayor's precept per Band D property. Find out more about our budget at: www.london.gov.uk/budget (tel: 020 7983 4000).

Summary of spending and income £m (Figures may not sum exactly due to rounding)	Police (MOPAC)		Fire (LFEPA)		Other Services (incl. GLA, TfL, LLDC and OPDC)		GLA Group Total	
	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
Gross expenditure	3,166.6	3,263.5	423.7	425.2	7,860.5	7,792.1	11,450.8	11,480.8
Government grants and business rates	-2,274.8	-2,316.8	-253.2	-257.0	-1,698.4	-1,410.7	-4,226.3	-3,984.5
Other income (incl. fares and charges)	-261.7	-257.7	-32.2	-32.6	-6,070.0	-6,288.0	-6,364.0	-6,578.3
Net expenditure	630.1	689.0	138.3	135.6	92.1	93.5	860.5	918.0
Change to level of reserves	-63.6	-122.3	-0.1	2.7	3.9	-24.1	-59.8	-143.7
Council tax requirement (income)	566.5	566.7	138.2	138.2	96.0	69.4	800.7	774.3

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

Short Version

To be used – at their discretion – by billing authorities seeking to reduce the length and cost of producing their explanatory supporting text to council taxpayers on efficiency grounds

GREATERLONDONAUTHORITY

Introduction

The Mayor of London is committed to achieving value for money for Londoners and supporting London's economic growth. This guide explains how your council tax pays for Greater London Authority (GLA) services. **For the fifth year running the Mayor is cutting his part of the council tax.** This means that he has reduced it by ten per cent in cash terms during his second term.

The current financial climate means the public sector must provide better public services with fewer resources. This year's budget has required some tough choices to be made. Within this context it seeks to protect the key services Londoners expect from the Mayor - safer streets, investment in transport infrastructure and more affordable housing.

Council tax and budget information

The GLA's share of the council tax for a typical Band D property has been reduced by £19 to £276.00. The table below shows how this is allocated. A Band D council taxpayer in the City of London, which has its own police force, will pay £73.89.

Council Tax (£)	2015-16	Change	2016-17
MOPAC (Met Police)	208.87	-6.76	202.11
LFEPa (Fire Brigade)	50.85	-3.81	47.04
GLA and Olympics	33.07	-8.35	24.72
TfL (Transport)	2.21	-0.08	2.13
Total	295.00	-19.00	276.00

Investing in frontline services

The Mayor's budget includes large savings and efficiencies across the GLA group in 2016-17. These savings have allowed the Mayor to reduce his precept on London council taxpayers and release cash to meet his key priorities. These include:

- investing in frontline policing by maintaining officer numbers at or around 32,000;
- increasing the supply of affordable homes, on top of the 100,000 delivered since 2008 using new approaches like creating over 20 new Housing Zones;
- ensuring the London Fire Brigade has enough resources to maintain attendance targets at incidents;
- investing £200 million in bus priority schemes, £913 million in cycling and £4 billion in London's roads alongside programmes to improve air quality and reduce carbon emissions;
- continuing upgrades to the Underground, London Overground and Tramlink including investing £250 million to ensure that 50 per cent of Rail and Underground stations are step-free by 2018;
- completing the delivery of Crossrail along with the extension of the Northern line to Battersea and Nine Elms and the London Overground to Barking Riverside;
- working with London boroughs to maintain existing concessionary travel schemes. This includes free 24 hour travel for the over 60s, the disabled, armed forces personnel in uniform and eligible war veterans with discounts on travelcards available for apprentices; and
- creating over 200,000 jobs through the GLA group's work, including 20,000 part time jobs to help parents return to work plus supporting and creating apprenticeship opportunities for young Londoners.

Summary of GLA budget

The following tables compare the GLA group's spending for 2016-17 with last year and set out the reasons for the changes. The reduction in gross expenditure reflects the impact of the phased ending of the contribution of London council taxpayers to fund the 2012 Games and the assumed profiling of transport investment. This is offset by an increase of nearly £50 million in the police budget. Overall the council tax requirement has fallen mainly because of the £19 drop in the Mayor's precept per Band D property. Find out more about our budget at: www.london.gov.uk/budget (tel: 020 7983 4000).

How the GLA Group budget is funded (£m)	2015-16	Change	2016-17
Gross Expenditure	11,451	30	11,481
Government grants and retained business rates	-4,226	209	-3,985
Fares, charges and other income	-6,364	-182	-6,578
Use of reserves	-60	-84	-144
Amount met by council tax payers	801	-27	774

Changes in Spending (£m)	2016-17
2015-16 council tax requirement	801
Inflation	193
Efficiencies and other savings	-304
New investment to improve services	164
Other changes (for example fares revenue)	-80
2016-17 council tax requirement	774

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:

Matthew Beals 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:

David Gallie 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:

Sir Edward Lister 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

22.2.2016

CHIEF OF STAFF:

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

Signature

Edward Lister

Date

22.2.2016