

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD2785

### Title: Approval of 2021-22 Council Tax and Precepts and Communication to Council Taxpayers

#### Executive Summary:

The Mayor's Final Draft Budget for 2021-22 was considered at the meeting of the London Assembly held on 25 February 2021. The Assembly agreed no amendments and it therefore becomes the Greater London Authority's (GLA's) consolidated component budget for the next financial year. Approval of the 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 2021-22 for:
  - a) the amount of the consolidated council tax requirement for the Greater London Authority of £1,096,562,028.72 and the proposed Band D equivalent council tax precepts (£363.66 in the 32 London boroughs and £96.53 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 25 February 2021.
- 2) Agree to the issue of the GLA precept data for 2021-22 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 2021-22 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:

25/2/21

## 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 2021-22, with its supporting material, was considered at the meeting of the London Assembly held on 25 February 2021. 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 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 2021. This decision form asks the Mayor to approve the Band D council tax and precepts on the 33 London billing authorities for 2021-22 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 (Mayor & Assembly) 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	£65,563,309.54
London Assembly	£2,628,575.08
Mayor's Office for Policing and Crime	£804,911,048.54
London Fire and Emergency Planning Authority	£171,824,212.60
Transport for London	£51,634,882.95
London Legacy Development Corporation	£NIL
Old Oak and Park Royal Development Corporation	£NIL
<b>Total Consolidated Council Tax Requirement</b>	<b>£1,096,562,028.72</b>

- 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 £96.53; 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 £267.13.

- 2.3 These amounts are added together to determine the Mayor's precept for the 32 London boroughs. For 2021-22 this is £363.66 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 £96.53 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 £363.66 in each of the 32 boroughs and £96.53 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 2020-21 in respect of council tax. If an authority's collection fund is in an estimated deficit this will be spread across three budget years as required under the Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020. The surplus or deficit adjusted for spreading which will be added to or deducted from the precept amount shown when determining the instalments payable in 2021-22.
- 2.5 Appendix B contains two alternative versions of the explanatory information (i.e. the council tax leaflet text) for 2021-22 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 2021 GLA elections on 22 March 2021.
- 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 25 February 2021 on the GLA website;

- requesting that functional bodies place their budgets on their own websites; and
- making copies available for inspection at City Hall once the building is able to reopen to the public.

### **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 for 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 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 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 2020 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 2020;
- budget submissions scrutinised and approved by the functional bodies before formal submission to the Mayor in November 2020;
- the Mayor's draft budget proposals considered, prepared and issued for consultation on 15 December 2020;
- consultation undertaken on that document between 15 December 2020 and 15 January 2021;
- 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 2021 and approved without amendment; and
- the presentation of the Mayor's final draft budget which was approved without amendment by the Assembly on 25 February 2021.

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 25 February 2021.

#### *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 2021/22, 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 This section deals with legal matters not mentioned elsewhere in this Decision.
- 6.2 On 17 February 2021 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 25 February 2021, 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.
- 6.3 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. 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.

<b>Activity</b>	<b>Timeline</b>
Final precept notifications and supporting explanatory information to be circulated to all 33 London billing authorities (Statutory deadline)	By 28 February 2021
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 2021

### **Appendices and supporting papers:**

Appendix A – GLA council tax requirement and precept calculations for 2021-22

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 2021-22 and Assembly decision in relation to this at its meeting on 25 February 2021.

<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**

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:**

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

**Sponsoring Director:**

David Gallie 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 22 February 2021

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**

*D. Gane*

**Date**

25 February 2021

**CHIEF OF STAFF:**

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

**Signature**

*D. Bellamy*

**Date**

25 February 2021

## GLA council tax requirement and precept calculations for 2021-22

Line	Sum	Description
(1)	£1,096,562,029.72	the GLA's consolidated council tax requirement R – as specified in section 88 (2) of the GLA Act
(2)	804,911,048.54	the special item (item A) – the Mayor's Office for Policing and Crime component council tax requirement for the Metropolitan Police District
(3)	291,650,980.18	the amount shown in line (1) less the amount shown in line (2)
(4)	3,021,350.67	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)	<b>96.53</b>	<b>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)</b>
(6)	804,911,048.54	the special item (item S2) – the MOPAC component council tax requirement – as set out in line (2) above
(7)	3,013,181.03	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)	<b>267.13</b>	<b>the additional amount of council tax in respect of the special item for the Metropolitan Police District calculated in accordance with section 89 of the GLA Act (line (6) divided by line (7))</b>
(9)	<b>363.66</b>	<b>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))</b>

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 proportions 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	£242.44	£64.35
B	7/9	£282.85	£75.08
C	8/9	£323.25	£85.80
D	1	£363.66	£96.53
E	11/9	£444.47	£117.98
F	13/9	£525.29	£139.43
G	15/9	£606.10	£160.88
H	18/9	£727.32	£193.06

## Amount of the precept to be issued 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. The precept is rounded to the nearest pound.

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	8,169.64	96.53	788,615
<i>Inner London Boroughs</i>			
Camden	88,125.00	363.66	32,047,538
Greenwich	82,858.74	363.66	30,132,409
Hackney	72,039.30	363.66	26,197,812
Hammersmith and Fulham	80,930.00	363.66	29,431,004
Islington	77,737.10	363.66	28,269,874
Kensington and Chelsea	97,001.00	363.66	35,275,384
Lambeth	110,872.00	363.66	40,319,712
Lewisham	88,614.30	363.66	32,225,476
Southwark	105,678.00	363.66	38,430,861
Tower Hamlets	102,572.00	363.66	37,301,334
Wandsworth	136,064.00	363.66	49,481,034
Westminster	133,817.98	363.66	48,664,247
<i>Outer London Boroughs</i>			
Barking and Dagenham	50,995.71	363.66	18,545,100
Barnet	148,094.00	363.66	53,855,864
Bexley	81,741.90	363.66	29,726,259
Brent	98,450.00	363.66	35,802,327
Bromley	132,026.00	363.66	48,012,575
Croydon	129,940.80	363.66	47,254,271
Ealing	117,138.00	363.66	42,598,405
Enfield	92,965.00	363.66	33,807,652
Haringey	76,544.00	363.66	27,835,991
Harrow	87,387.00	363.66	31,779,156
Havering	88,243.00	363.66	32,090,449
Hillingdon	102,071.00	363.66	37,119,140
Hounslow	85,986.00	363.66	31,269,669
Kingston upon Thames	62,854.50	363.66	22,857,667
Merton	74,220.00	363.66	26,990,845
Newham	80,336.20	363.66	29,215,062
Redbridge	90,275.00	363.66	32,829,407
Richmond upon Thames	88,487.00	363.66	32,179,182
Sutton	72,415.50	363.66	26,334,621
Waltham Forest	76,701.00	363.66	27,893,086
<b>TOTAL</b>	<b>3,021,350.67</b>		<b>1,096,562,029</b>

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

### Long Version (Greater London Authority's Preferred Text)

## GREATER LONDON AUTHORITY

### Introduction

The Mayor of London's budget for the 2021-22 financial year sets out his priorities to support London's recovery from the COVID-19 pandemic and to tackle the huge social, health and economic inequalities which it has exposed and exacerbated. It supports job creation and London's business community, our city's future growth and economic success and the Mayor's vision to rebuild London after the pandemic as a greener, cleaner and safer city with stronger and more cohesive communities.

This year's budget will provide resources to improve the key public services Londoners need. This includes delivering more genuinely affordable homes, securing funding to maintain and expand the capital's transport infrastructure and tackling toxic air pollution and the climate emergency. The budget also provides resources to support jobs and growth, fund skills and retraining programmes, help rough sleepers, invest in youth services and make London a fairer and cleaner place to live. Moreover, it prioritises resources for the Metropolitan Police and London Fire Brigade to keep Londoners safe, including violence reduction initiatives and ongoing support to improve opportunities for young Londoners. In light of the significant reductions in fares revenue and property tax income due to the pandemic, difficult decisions have been unavoidable. However, this budget remains focused on delivering a swift and sustainable recovery from the pandemic, as well as building the better, brighter, fairer future all Londoners want and deserve.

### Council tax for GLA services

The GLA's share of the council tax for a typical Band D property has been increased by £31.59 (or 61p per week) to £363.66. The additional income from this increase in council tax will fund the Metropolitan Police, the London Fire Brigade, and will also go towards maintaining existing travel concessions for the under 18s and Londoners aged 60 and over. Council taxpayers in the City of London, which has its own police force, will pay £96.53.

Council Tax (£)	2020-21	Change	2021-22
MOPAC (Metropolitan Police)	252.13	15.00	267.13
LFC (London Fire Brigade)	55.28	1.59	56.87
GLA	22.69	-0.12	22.57
TfL (Transport)	1.97	15.12	17.09
<b>Total</b>	<b>332.07</b>	<b>31.59</b>	<b>363.66</b>

### Controlling costs at City Hall and delivering the Mayor's key priorities

The Mayor's budget includes significant savings across the GLA Group in 2021-22. This has allowed him to release resources to help meet his key priorities. This includes plans to invest £4.4 billion to continue delivering 116,000 affordable homes starts within London by 2023 and an additional 35,000 by 2026 as well as allocating resources to tackle homelessness and reduce rough sleeping. He has taken steps to improve air quality in London by introducing the Ultra Low Emission Zone in central London, which will be expanded to the North and South Circular roads in Autumn 2021. He will also continue to fund a Green New Deal for London to address the climate emergency, with the objective of helping to create jobs and to double the size of the capital's green economy by 2030.

The Mayor will continue to ask the Government to provide the maximum possible ongoing financial support to London businesses and Londoners as the capital emerges from the very severe impact of the COVID-19 pandemic. He will also maintain investment in skills and retraining to help tackle unemployment and support Londoners to secure better paid jobs, as well as continuing to request that the Government strengthen the safety net for the most vulnerable Londoners.

The Mayor will also work with London's business community, key investors and other stakeholders to support the economic recovery and ensure that London's interests are protected following the UK's departure from the European Union. He will provide funding for new projects to bring communities together, tackle social inequality and boost London's economy, including supporting projects to help small and medium sized businesses.

### **The Mayor's Office for Policing and Crime (MOPAC)**

The Mayor's Police and Crime Plan – a Safer City for Londoners 2017-21 – sets out his strategy for policing and community safety in the city. His key priorities include improving the Metropolitan Police Service (MPS), providing a better criminal justice service in London and keeping children and young people safe. He will also provide resources to tackle domestic violence, which particularly affects women, and continue to invest in violence reduction initiatives.

The Mayor published his Action Plan in November 2020 to improve trust and confidence in the MPS and to address community concerns about disproportionality in the use of certain police powers affecting Black Londoners. The Mayor has committed, as part of the Action Plan, to invest extra resources to develop greater community involvement in police officer training and in the recruitment and progression of Black officers in the MPS.

The MPS must rise to meet these challenges at a time of acute financial pressure. As a result of the reductions in resources from the Home Office for policing over the last decade, which have only recently started to be reversed by the current government, the MPS had to close more than 100 police stations and remove over 3,300 Police Community Support Officers and 4,500 police staff in order to protect front line officer numbers.

The Mayor is raising the police element of his council tax precept by £15 for a typical Band D property, as assumed in Government calculations of police spending power. In all, through his decisions in this and previous budgets, the Mayor has funded an additional 1,300 officer posts from locally raised revenues.

### **Transport for London (TfL)**

TfL has faced significant financial challenges as a result of the reduced levels of ridership due to the pandemic since March 2020, which has led to a large fall in fare revenues. The Mayor continues to work with the Government to secure a sustainable long-term funding settlement for TfL to allow him to continue investment in the transport network while making it more reliable and accessible. The Mayor's priorities for TfL include:

- working with London boroughs to maintain existing concessionary travel and assisted door to door transport schemes. This includes, for example, maintaining free bus and tram travel for under 18s as well as free off-peak travel across the network for Londoners aged 60+, the disabled, armed forces personnel in uniform and eligible armed services veterans and protecting the Taxicard and Dial a Ride schemes;
- opening the central London section of the Elizabeth line (the operational name for Crossrail) in the first half of 2022, followed by the full line opening with through services as soon as possible to increase central London's rail capacity by ten per cent. TfL will also open the Northern line extension to Nine Elms and Battersea Power station in 2021;
- rolling out 94 new Piccadilly line trains, with the first new trains serving customers from 2025;
- enhancing capacity on the London Underground and rail services, and upgrading key stations such as Bank/Monument station;
- making public transport more accessible for everyone. Within the next five years nearly 40 per cent of tube stations are expected to be step free. All Elizabeth line stations once the line opens in full will also be step free;
- extending the London Overground on the Gospel Oak to Barking Line to serve Barking Riverside (due to open by 2022) and expanding capacity on the DLR network;
- maintaining the Bus and Tram one-hour Hopper fare and investing to improve journey times and reliability on the bus network;
- continuing the electrification of London Buses so that all are emission free by 2037 at the latest;
- extending the Ultra Low Emission Zone in central London to the North and South Circular roads by Autumn 2021 to help tackle London's toxic air quality; and
- investing in a range of schemes designed to make walking, cycling and public transport safer, cleaner and more appealing in partnership with London boroughs.

### **London Fire Commissioner (LFC)**

The Mayor's funding ensures that the London Fire Brigade's first and second fire engines attending an emergency incident arrive within 10 minutes on at least 90 per cent of occasions and 12 minutes on at least 95 per cent of occasions respectively, after being dispatched. The Mayor is also providing resources to roll out a transformation

programme so that the LFB can implement the recommendations of the Grenfell fire inquiry. This includes investing in the new vehicles and equipment required.

**London Legacy Development Corporation (LLDC)**

The LLDC was set up to ensure that the city benefits from a long-term legacy from the London 2012 Olympic and Paralympic Games. The Mayor’s 2021-22 budget provides funding to progress the construction of East Bank, one of the world’s largest and most ambitious cultural and education districts, in Queen Elizabeth Olympic Park. It will bring an additional 1.5 million visitors to the Park and surrounding area each year, and more than 2,500 jobs will be created generating an estimated £1.5 billion for the local economy.

**Old Oak and Park Royal Development Corporation (OPDC)**

The OPDC has been established to support the creation of 65,000 new jobs and at least 24,000 new homes in west London over the next 20 years. It will build on the regeneration benefits which High Speed 2 (HS2), the Elizabeth line and the Great Western Mainline stations at Old Oak Common are expected to bring locally.

**Summary of GLA Group budget**

The tables below show where the GLA’s funding comes from and the reasons for the year on year change in the budget. It also explains how the GLA has calculated the sum to be collected from council tax (the council tax requirement).

<b>How the GLA’s budget is funded (£ million)</b>	<b>2021-22</b>
Gross expenditure	13,804.4
Government grants and retained business rates	-8,453.9
Fares, charges and other income	-5,136.9
Change in reserves	883.0
<b>Amount met by council taxpayers (£m)</b>	<b>1,096.6</b>

<b>Changes in spending (£ million)</b>	<b>2021-22</b>
2020-21 council tax requirement	1,010.9
Inflation	176.7
Efficiencies and other savings	-196.3
New initiatives	383.3
Other changes (for example fares revenue and government grants)	-278.0
<b>Amount met by council taxpayers (£m)</b>	<b>1,096.6</b>

**Detailed budget by service area**

The table below compares the GLA Group’s planned expenditure on policing, fire and other services (including transport) in 2021-22 with 2020-21.

The GLA’s planned gross expenditure is higher this year. This is mainly due to the impact of extra investment planned by the Mayor in transport and policing. Overall the council tax requirement has increased because of the extra funding for the Metropolitan Police, the London Fire Brigade and maintaining existing concessionary free travel for under 18s and Londoners aged 60 and over. There has been a 1.0 per cent decrease in London’s residential property taxbase. Find out more about our budget at: [www.london.gov.uk/budget](http://www.london.gov.uk/budget).

## Appendix B

Summary of Spending and Income (£ million)	Police (MOPAC)		Fire (LFC)		Other Services (incl. GLA, TfL, LLDC and OPDC)		GLA Group Total	
	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
(figures may not sum exactly due to rounding)								
Gross expenditure	3,885.3	3,968.2	489.5	489.3	8,991.1	9,346.9	13,365.9	13,804.4
Government grants and business rates	-2,786.3	-2,793.0	-266.1	-266.9	-2,434.1	-5,394.0	-5,486.6	-8,453.9
Other income (incl. fares and charges)	-280.0	-290.1	-39.8	-41.2	-6,467.5	-4,805.6	-6,787.3	-5,136.9
<b>Net expenditure</b>	<b>819.0</b>	<b>885.2</b>	<b>183.6</b>	<b>181.2</b>	<b>89.5</b>	<b>-852.7</b>	<b>1,092.0</b>	<b>213.6</b>
Change to level of reserves	-51.9	-80.3	-15.0	-9.4	-14.2	972.7	-81.1	883.0
<b>Council tax requirement (income)</b>	<b>767.1</b>	<b>804.9</b>	<b>168.6</b>	<b>171.8</b>	<b>75.3</b>	<b>119.9</b>	<b>1,010.9</b>	<b>1,096.6</b>



## 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.

## GREATER LONDON AUTHORITY

### Introduction

The Mayor of London's budget for the 2021-22 financial year sets out his priorities to support London's recovery from the COVID-19 pandemic and to tackle the huge social, health and economic inequalities which it has exposed and exacerbated. It supports job creation and London's business community, our city's future growth and economic success and the Mayor's vision to rebuild London as a greener, cleaner and safer city with stronger and more cohesive communities.

This year's budget will provide resources to improve the key public services Londoners need. This includes delivering more genuinely affordable homes, securing funding to maintain and expand the capital's transport infrastructure and tackling toxic air pollution and the climate emergency. The budget also provides resources to support jobs and growth, fund skills and retraining programmes, help rough sleepers, invest in youth services and make London a fairer and cleaner place to live.

The budget prioritises resources for the Metropolitan Police and London Fire Brigade to keep Londoners safe, including violence reduction initiatives and initiatives to improve opportunities for young Londoners. In light of the significant reductions in fare revenues and property tax income due to the pandemic some difficult decisions have been unavoidable. However, this budget remains focused on delivering a swift and sustainable recovery from the pandemic, as well as building the better, brighter, fairer future all Londoners want and deserve.

### Council tax for GLA services

The GLA's share of the council tax for a typical Band D property has been increased by £31.59 (or 61p per week) to £363.66. The additional income raised will fund the Metropolitan Police and the London Fire Brigade and will also go towards maintaining existing travel concessions for the under 18s and Londoners aged 60 and over. Council taxpayers in the City of London, which has its own police force, will pay £96.53.

Council Tax (£)	2020-21	Change	2021-22
MOPAC (Metropolitan Police)	252.13	15.00	267.13
LFC (London Fire Brigade)	55.28	1.59	56.87
GLA	22.69	-0.12	22.57
TfL (Transport)	1.97	15.12	17.09
<b>Total</b>	<b>332.07</b>	<b>31.59</b>	<b>363.66</b>

### Investing in frontline services

This budget will enable the Mayor to fulfil his key priorities for London. These include:

- ensuring the Metropolitan Police have the resources they need to tackle violent crime – the Mayor has funded 1,300 additional police officer posts from locally raised council tax and business rates revenues;
- tackling the underlying causes of crime through the rollout of funding to support disadvantaged young Londoners access positive opportunities and constructive activities that allow them to make the most of their potential, as well as resources for new violence reduction initiatives;
- protecting vulnerable children and women at risk of abuse and domestic violence;

- providing enough resources to the London Fire Brigade (LFB) to ensure that first and second fire engines arrive at emergency incidents within 10 minutes on at least 90 per cent of occasions and 12 minutes on at least 95 per cent of occasions respectively, after being dispatched. The Mayor is also providing resources to rollout a transformation programme so that the LFB can implement the recommendations of the Grenfell fire inquiry. This includes investing in the new vehicles and equipment required;
- working with London boroughs to maintain existing concessionary travel and assisted door to door transport schemes. This includes, for example, maintaining free bus and tram travel for under 18s as well as free off-peak travel across the network for Londoners aged 60+, the disabled, armed forces personnel in uniform and eligible armed services veterans and protecting the Taxicard and Dial a Ride schemes;
- continuing the Hopper bus fare, which makes transport more affordable for millions of Londoners;
- opening the central London section of the Elizabeth line (the operational name for Crossrail) in the first half of 2022, followed by the full line opening with through services as soon as possible to increase central London's rail capacity by ten per cent. TfL will also open the Northern line extension to Nine Elms and Battersea Power station in 2021;
- continuing to tackle London's housing crisis, by investing £4.4 billion to continue delivering 116,000 affordable home starts within London by 2023 and an additional 35,000 by 2026, as well as allocating resources to tackle homelessness and reduce rough sleeping;
- tackling the climate emergency through continued roll out of a £50 million Green New Deal for London fund;
- investing in Healthy Streets to fund projects to enable more walking and cycling across London. The Mayor will also expand the Ultra Low Emission Zone to the North and South Circular roads in Autumn 2021 to tackle air pollution; and
- funding projects to bring Londoners together, promote arts, sports and culture, help tackle inequality and improve the environment.

### Summary of GLA budget

The following tables compare the GLA group's planned spending for 2021-22 with last year and set out why it has changed. The GLA's gross expenditure is higher this year. This is mainly due to the impact of extra investment planned by the Mayor in transport and policing. Overall the council tax requirement has increased because of the extra funding for the Metropolitan Police, the London Fire Brigade and maintaining existing concessionary free travel for under 18s and Londoners aged 60 and over. There has also been a 1.0 per cent decrease in London's residential property taxbase. Find out more about our budget at: [www.london.gov.uk/budget](http://www.london.gov.uk/budget).

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