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# Mayor's Background Statement in support of his Draft Consolidated Budget for 2018-19

## PART 1

### Summary

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

## 1 Introduction

- 1.1 The budgetary process is to a large extent governed by the provisions of sections 85, 86 and 87 and Schedule 6 of the Greater London Authority Act 1999 ("the GLA Act").
- 1.2 The Mayor is required to determine consolidated and component council tax requirements for 2018-19 and it is these that the Assembly has the power to amend. The Assembly's role is to scrutinise the budgeting decisions of the Mayor, to consider whether to approve the Mayor's draft consolidated and final draft budgets (with or without amendments), and to set a budget in the event that the Mayor does not do so in the required time. The Mayor and the Assembly must secure a financially balanced budget, with a fair and reasonable balance between the discharge of statutory and discretionary responsibilities for the provision of services and the financial burden upon those required to finance the net cost.
- 1.3 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). The arrangements for "Council Tax referenda", in the event that the GLA Group council tax requirement is deemed to be "excessive" under Government rules and the possible impact that would have on the council tax requirement setting process, are set out in Part 3 of this Budget document.
- 1.4 The Mayor and the Assembly have a duty to prepare and approve for each financial year a "component" budget for each of the seven "constituent bodies" within the GLA Group (that is, the Assembly, the Mayor, and each of the five functional bodies<sup>1</sup>) and a "consolidated budget" for the GLA Group.

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<sup>1</sup> These are (1) the London Fire Commissioner (LFC), (2) the London Legacy Development Corporation (LLDC), (3) Mayor's Office for Policing and Crime (MOPAC), (4) the Old Oak and Park Royal Development Corporation (OPDC) and (5) Transport for London (TfL). Otherwise reference to LFEPA assumes it is superseded by the LFC from 1 April 2018.

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- 1.5 Set out below are definitions of the key elements of the budget process as described in the GLA Act.
- A “component budget” is defined as consisting of a statement of the amount of component council tax requirements for the constituent body concerned by applying “statutory calculations” under the relevant section of the GLA Act which give rise to this amount.
  - A “consolidated budget” must consist of statements of the amount of the GLA’s consolidated council tax requirement for the GLA Group, being the aggregate of the amount of the component council tax requirements for each constituent body.
  - “Draft Budget” refers to the initial “Draft Consolidated Budget” which is the first stage budget document and may be amended at the first Assembly budget meeting by a simple majority of votes cast (absentees and abstentions not counted).
  - “Final Draft Budget” refers to the second stage budget which becomes the GLA’s consolidated council tax requirement for the GLA Group for 2018-19 and may be amended at the second Assembly budget meeting by a two-thirds majority of votes cast (absentees and abstentions not counted).

Further details on the Assembly’s powers to amend the Mayor’s council tax requirement for the Assembly can be found in section 7 of Part 3 to this budget.

- 1.6 The London Fire and Emergency Planning Authority (LFEPA) is currently responsible for fire and rescue services in London and it supports the London boroughs in their emergency planning role. Provisions in the Policing and Crime Act 2017, when enacted, will abolish LFEPA and establish the London Fire Commissioner (LFC) as a corporate body<sup>2</sup>.
- 1.7 A summarised version of the statutory budget process for 2018-19 is set out in the following table.

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<sup>2</sup> In the event there is any delay in making the necessary transfer schemes and orders so that LFEPA continues in existence after 1 April 2018 then the component budget and council tax requirement proposed for the LFC in this document shall apply to LFEPA until such time as they take effect.

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<b>Budget process</b>	
(a)	The Mayor must prepare for each financial year a budget for each of the seven constituent bodies and a consolidated budget for the GLA Group as a whole (this is the GLA consolidated budget). For this purpose, the Mayor of London and London Assembly are treated as separate constituent bodies.
(b)	Before arriving at the final version of the budget, a “draft component budget” for each component body will be the subject of consultation with the constituent bodies. Letters from the Mayor fulfilling this requirement were sent to MOPAC, LFEPA, TfL, OPDC and LLDC on 25 October 2017. The Assembly set out its proposals for the GLA: Assembly budget on 11 October 2017 and was consulted on the Mayor’s draft proposed GLA: Mayor budget on 22 November 2017.
(c)	After preparation of and consultation on those drafts, the Mayor is required to prepare a draft of his proposed full consolidated budget for consultation with the Assembly. The Assembly had resolved that the Mayor should consult its Budget and Performance Committee. Such consultation has occurred and the Committee considered that document on 3, 4 and 9 January 2018. The Mayor is also required within the same timeframe to consult with other bodies or persons that he considered appropriate. This has also occurred (see paragraph 3.1).
(d)	<b>Draft budget stage</b> The Mayor then determines a “draft consolidated budget” (which contains draft component budgets for the seven bodies) publishes it and presents it to the Assembly at a public meeting. The draft budget that has been determined for 2018-19 is attached to this statement. The Assembly must approve this budget with or without amendment. Amendments at this stage of the process can be made by a simple majority of Assembly Members voting (ignoring abstentions and absentees). If no amendments are made then the draft budget is deemed by law to have been approved without amendment.
(e)	<b>Final budget stage</b> The Mayor will then prepare and publish a final draft of his proposed consolidated budget (“final draft budget”) for the next financial year. If the published final draft budget does not incorporate any amendments made by the Assembly at the previous stage, or is otherwise different to the previous draft consolidated budget, the Mayor must lay a written statement before the Assembly giving reasons.
(f)	The final draft budget must be considered at a public meeting of the Assembly and approved with or without amendment before the last day of February. Any amendment must at this stage be agreed by at least two thirds of the Assembly Members voting. If no amendments are made then the draft consolidated budget is deemed by law to have been approved without amendment. The resulting budget will be the approved consolidated budget for the financial year 2018-19.

- 1.8 Annex A of this statement presents the Mayor’s Draft Budget using the statutory calculations as defined in the Act. Separate accompanying documents provide an explanation of the budget proposals and finance and legal advice.

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## **2 Local Government Finance Settlement and Home Office Police Settlement**

- 2.1 At the time of publishing this document neither the Government's final local government finance settlement for 2018-19 nor the final council tax referendum principles for 2018-19 for the GLA have been published or formally approved by the House of Commons. However, based on the draft principles, these announcements are expected to confirm that increases in the unadjusted precept (i.e. the Band D council tax excluding police) of 3 per cent or higher and /or increases in the adjusted precept (i.e. the Band D council tax including the police element) of more than £14.21 are deemed excessive for the purposes of the council tax referenda legislation. The final police grant report for 2018-19 has also not yet been published by the Home Office or approved formally by the House of Commons.
- 2.2 Therefore, the grant settlement figures set out in Part 2 of this Draft Budget reflect the expected final local government finance settlement for the GLA, as well as the final police settlement. Both settlements and the excessiveness principles will be considered by the House of Commons for formal approval in February 2018.

## **3 Consultation Process and Responses**

- 3.1 In addition to consulting the Assembly and the functional bodies, in preparing his draft budget the Mayor may consult others as appear to him appropriate. The Mayor issued draft component budget proposals to each functional body for consultation and they were invited to respond. The budget consultation paper, issued on 21 December 2017, has been widely circulated to each functional body, the leaders (or elected mayors) and chief finance officers of London borough councils and the Common Council of the City of London, London Councils and a range of business representative organisations and business improvement districts. It was also placed on the Greater London Authority website, enabling members of the public to make their comments. A summary of the responses and copies of all responses received are being made available to Assembly Members concurrently with this Budget.

## **4 The Mayor's Approach to Decision Making**

- 4.1 The Mayor has a number of statutory functions that must be fulfilled on behalf of Londoners and reflected in a financially balanced budget. These include major responsibilities in respect of policing, transport, fire and emergency planning, economic regeneration, housing, planning, air quality, waste, culture and sport, health, sustainable development, energy, climate change, the environment and area regeneration.
- 4.2 The Mayor also has a number of discretionary functions, in particular a general power to do anything to further the principal purposes of the Authority, i.e. promoting economic development and wealth creation, social development and the improvement of the environment in Greater London. In the exercise of his functions the Mayor also has to have due regard to his obligations under the public-sector equality duty under the Equality Act 2010, including the need to eliminate discrimination, harassment and victimisation, and to promote equality of opportunity and foster good relations between persons who share a relevant protected characteristic (race, sex, disability, age, sexual orientation, religion or belief, gender reassignment, pregnancy or maternity), and those who do not.
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- 4.3 To help fulfil these functions and responsibilities, but subject to the information available on future Government finance settlements, the budget development process is a key element of the planning framework and has an important purpose of ensuring there are sound medium term financial plans within which all Mayoral priorities and objectives are adequately funded, while recognising areas of risk and uncertainty will inevitably exist. This means ensuring that the estimates of income and expenditure (including appropriate consideration of the effects of inflation), Government funding, retained business rates and council tax are soundly based, with appropriate and sufficient reserves, paying due regard to professional and statutory guidance. This is reinforced by the Local Government Act 2003 which requires the Authority's Chief Finance Officer to report on the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed financial reserves.
- 4.4 A primary aim of the budget process is to provide a financially balanced budget, as a basis for an efficient and effective use of available resources. The aim is to secure a fair and reasonable balance between the discharge of obligatory and discretionary responsibilities for the provision of services and the financial burden upon those required to finance the net cost.
- 4.5 This approach was reflected in the Mayor's guidance for the preparation of budget submissions for 2018-19 and future plans which was issued to the GLA Group in June 2017. It has also been supplemented through a series of meetings with the functional bodies and GLA officers to ensure the guidance remains valid and responsive to emerging needs and changing circumstances. The functional bodies and the Assembly's Budget and Performance Committee have also played a major role in the preparation and scrutiny of budget proposals.

## **5 The Local Government, Fire and Police Finance Regime**

- 5.1 For 2018-19 the GLA is due to receive over £3 billion of business rates income of which around £687.8 million will be paid to the Government, via the agreed London Business Rates Pool, as a fixed tariff payment, with the balance used to fund services across the GLA Group. The business rates retention regime allows the GLA scope to retain some of the growth in business rates income excluding additional revenues arising from the impact of the 2017 revaluation.
- 5.2 Although the retained business rates funding mechanism allows authorities to share in the growth in their areas, it also leads to increased uncertainty in the setting of the GLA's budget. The Authority awaits returns from billing authorities setting out their localised Council Tax Support schemes, council taxbases and forecasts for collectable business rates in 2018-19 and collection fund surplus or deficit estimates for 2017-18 which will change the final precept calculations.
- 5.3 The GLA is now more vulnerable to volatility in business rates revenues as a result of the new regime. Under the London pooling arrangements, the Authority would have to meet the first £64.5 million of any loss of income relative to its baseline funding position before additional protection is provided by central government through the safety net. This equates to 3 per cent of the notional uprated baseline funding for the GLA in respect of retained rates of £2.3 billion (i.e. the assumed funding allocation for services excluding the fixed tariff payment to Government and gross of TfL's former £976 million Department for Transport (DfT) capital grant now paid to it through business rates). These figures will be confirmed in final local government finance settlement expected to be approved by the House of Commons in early February. The Mayor's Business Rates Reserve provides provision to help manage these risks and is maintained at a sufficient level to manage these uncertainties.
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- 5.4 The 2018-19 provisional local government finance and fire settlement was published on 19 December 2017 and was subject to a four-week consultation process which ended on 16 January 2018. The GLA submitted a detailed response to this consultation. The settlement detailed provisional settlement funding allocations for local and fire authorities in England for 2018-19 reflecting the impact of the 100 per cent business rates retention pilot in London and provided indicative allocations for 2019-20. In 2018-19, as in 2017-18, the GLA Group will not receive Revenue Support Grant funding from central government. Instead, the settlement funding allocation for the GLA will be funded through retained business rates.
- 5.5 On 19 December 2017, the Home Office provisional police grant settlement for 2018-19 set out the core funding allocations for Police and Crime Commissioners in England, for the Mayor's Office for Policing and Crime and the City of London Police. This included the police formula grant and Home Office Police Grant allocations along with council tax support funding for local policing bodies and for MOPAC and the City of London police their National and International Capital City (NICC) allocations.
- 5.6 MOPAC has provisionally been allocated general police grant of £1,882.1 million in 2018-19, comprising £849.4 million of core Police Grant, £739.3 million of formula grant, formerly provided by DCLG, £119.7 million in local council tax support grant and £173.6 million in NICC funding. These figures are the same in cash terms as in 2017. In addition, the Mayor has allocated £31.2 million of retained business rates to MOPAC, made up of the former council tax freeze grant funding now rolled into the GLA's business rates retention baseline together with additional support over and above what the Home Secretary has assumed is the share applicable for policing.
- 5.7 As part of the 2015 Spending Review, the DfT confirmed TfL's general (operating) grant would no longer be paid from 2018-19 onwards. Funding for TfL from within the GLA Group's retained business rates allocation for 2018-19 is made up of £929.3 million in revenue funding (including £75 million for the repayment of business rates funding held back from TfL in 2015-16 for its share of the cumulative business rates deficit from 2013-14 and 2014-15) and £976 million in respect of former DfT (capital) investment grant.

### **Consolidated Council Tax Requirement**

- 5.8 On 21 December 2017, the Mayor issued his Budget Consultation Document for 2018-19. More detail is contained in the accompanying explanatory document (Part 2 of the budget) and in the reports relating to draft budget and business plan proposals considered by the functional bodies and the Assembly's Budget and Performance Committee during the course of the year. The Mayor is therefore proposing an increase in the Band D Council Tax of £14.21 or 5.1 per cent from £280.02 to £294.23 in 2018-19 with the entire additional sum allocated to policing. The police element of the precept will increase by £12 per cent from £206.13 to £218.13 in line with the guidelines for English forces set out in the Home Office settlement for policing and the unadjusted (non-police) precept will increase from £73.89 to £76.10.
- 5.9 Once final returns are made at the end of January 2018 by the 33 billing authorities in London in respect of their retained business rates forecasts and council tax bases for 2018-19 and collection fund surpluses and deficits for 2017-18, there will be changes to the precept calculations. These will be reflected in the Mayor's final draft budget for 2018-19, which will be considered by the Assembly on 22 February 2018.

- 5.10 The Mayor's financial planning guidelines in his budget guidance reflected the nature and specific circumstances of each member of the GLA Group. Changes in the component amounts for each functional body are not uniform, reflecting their different funding settlements from Government and the nature of their funding including the impact of business rates retention.
- 5.11 The Mayor has been clear that he will not tolerate waste or inefficiencies across the Group. Consequently, the 2018-19 Budget proposes significant efficiencies and savings. In addition, the reduction in the budgeted Police Officer headcount caused by the Government's failure to properly fund the Metropolitan Police Service is shown as a financial saving in this document. The Budget also allows significant capital investment in London's housing and transport infrastructure, transformation in policing and to deliver the Olympic Legacy.

## 6 Budget proposals

### Mayor of London

- 6.1 The Mayoral component budget for the GLA for 2018-19 builds on the 2017-18 budget agreed by the Mayor in February 2017 and includes sufficient provision to meet those Mayoral priorities which are to be delivered by the GLA.
- 6.2 The priority remains turning around London's housing crisis and, to that end, the budget includes continuing investment of £3.15 billion to support 90,000 new genuinely affordable homes in the capital and support for reforms to planning rules to get London building, while protecting the Green Belt.
- 6.3 The Mayor's budget builds on the existing budget for his environment programme which already includes, for example, £10 million earmarked for energy efficiency and helping to tackle fuel poverty. It is intended to use funds from the overall environment budget to support action to reduce single-use plastic waste, particularly plastic bottles, including working with businesses to offer more public access to tap water. A proposal is currently being developed and more details will be provided ahead of the Assembly considering the final draft budget on 22 February.
- 6.4 There are two principal outstanding items for the Mayoral component budget for 2018-19, relating to a pay award and to funding for the preparatory work on the devolution of the Adult Education Budget to the Mayor.
- 6.5 The 2017-18 pay award has now been awarded and fully incorporated into the budget. A 1 per cent pay award provision has been included in the budget for 2018-19. It is possible that further provision will need to be made, as there tends to be a read across to the local government pay settlement, which is currently subject to national negotiations that have not yet been concluded.
- 6.6 As part of the local government pay settlement a two-year offer has been proposed covering 2018-19 and 2019-20, averaging circa 5.5 per cent over that period. The equivalent for the GLA is likely to be lower than that as it does not have to meet the impact of the national minimum wage, as its wage levels already exceed that minimum amount.
- 6.7 Were the award to be, say, 2 per cent for 2018-19 it would add an extra £0.4 million a year to the GLA budget. The provision for contingency should be sufficient to cover this in 2018-19 but there would be a pressure for future years which would need to be addressed.

- 6.8 The Department for Education is currently consulting the London Assembly and London boroughs on a proposal to devolve the Adult Education Budget to the Mayor from 1 August 2019 (2019-20 financial year). This would represent a significant additional item for the GLA budget and requires significant preparatory work, most of which will fall in 2018-19.
- 6.9 The costs of the preparatory work in 2017-18 is being split 50:50 between the Department for Education and the GLA at a cost of approximately £0.2 million to each party. The likely level of preparatory costs for 2018-19 is currently being worked up and is expected to amount to considerably more than in 2017-18. Further details will be made available once those estimates have been completed. The costs arising to the GLA will be met from the budget contingencies available.
- 6.10 Returns from billing authorities, due at the end of January 2018, will enable the Mayor to determine the size of any council tax collection fund surplus, the final council tax requirements and, also, whether any further business rate income may be spent, given the uncertainties associated with the business rate appeals process. In preparation for this information, the Mayor has requested proposals from the GLA and functional bodies about how any additional one-off funding may be used. This will include exploring options to provide further support for projects assisting young people, recognising both the impact of Government austerity measures on them and the role such interventions can play in tackling knife crime and addressing mental health problems.

### **London Assembly**

- 6.11 The component budget for the Assembly reflects its current staffing establishment, approved levels of Member and group support and approved policies. The Assembly's net expenditure is £7.8 million in 2018-19 - £0.4m higher than in 2017-18. This reflects the additional resources provided by the Mayor through retained business rates for increased committee members service costs and for increases in scrutiny and external relations costs. The Assembly's council tax requirement – net of its increased share of retained business rates – remains unchanged at £2.6 million.

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

- 6.12 The component budget for the Mayor's Office for Policing and Crime includes the functions of the Metropolitan Police Service (MPS).
- 6.13 The Mayor's Police and Crime Plan – A Safer City for all Londoners 2017-21 – sets out his strategy for policing and crime reduction based on his ambition of making London a safer city for all, no matter who you are or where you live. The key priorities of the Plan are to focus on:
- knife crime and the escalation in violence more generally;
  - delivering the public access strategy;
  - preventing extremism and terrorist attacks; and
  - delivering on the violence against women and girls strategy.
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- 6.14 The Mayor has called upon the Government to ensure that MOPAC has the funding needed to keep London safe. However, the provisional police grant settlement announced on 19 December 2017 merely froze Government grants for 2018-19 at 2017-18 levels and so represents a real terms reduction. Core funding for the MPS from the Home Office in 2018-19 on a like for like basis will be more than £700 million lower in cash terms than in 2010-11. This represents a 28 per cent cut in cash terms and nearly 40 per cent after allowing for inflation.
- 6.15 In order to try and mitigate the impact of the Government's grant reductions, the Mayor has reluctantly agreed to increase the police precept by the maximum allowed by the Government without triggering a council tax referendum. Accordingly, the Mayor will be allocating an additional £47 million in council tax income to MOPAC in 2018-19 compared to 2017-18. In addition, the Mayor has gone further than the Home Secretary has assumed and has allocated an additional £4.5 million of retained business rates to MOPAC over the level assumed by the Government for 2018-19.
- 6.16 The Mayor's component budget for MOPAC now allocates this additional income for 2018-19 over the objective and subjective analyses of MOPAC's budget. Based on the advice of the Commissioner of Police of the Metropolis, and following discussions with other Police and Crime Commissioners, these analyses also now assume pay costs will increase by an average of 2 per cent in 2018-19 and later years, rather than the former 1 per cent cap set by central Government. This reflects current inflation figures and other factors. Given the recommendations of the Police Pay Review Body, the 1 per cent non-consolidated element of the 2017 pay award is prudently assumed to be consolidated into the 2018-19 budget. Whilst decisions on police officer pay are set by the Home Secretary on the recommendation of the Police Remuneration Review Body, these are cautious assumptions, albeit they are tentative in later years. The Home Secretary's decision on the police officer pay award for 2018 is unlikely to be confirmed until summer 2018.
- 6.17 The funding changes announced by the Home Office and the Mayor's decision to increase the police precept mean the MPS have an additional £49 million available in 2018-19 compared to previous plans. The Government have stated that they expect the recent funding settlement to cover the costs of future pay increases. The pay proposals above are expected to cost £20.1 million in 2018-19 (£25 million for a full year). From the remaining £28.9 million new income in 2018-19, a £15 million dedicated pot to fund activity targeted at reducing knife crime will be established. The remaining £13.9 million will be made available to support officer recruitment in the medium term. After allowing for these changes, MOPAC are now forecasting that the savings they will have to deliver by 2021-22 will total £325 million if, on average, police officer numbers are to be maintained at 30,000.
- 6.18 In view of the scale of savings required, that are driven by the real terms government funding reductions that MOPAC are facing and that will inevitably lead to a significant decrease in police officer numbers, the Mayor will continue to lobby the Government for the funding that the Met needs to keep Londoners safe.
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**London Fire Commissioner (LFC)**

- 6.19 The London Safety Plan which was approved in March 2017 focusses on increasing terrorism response capabilities, expanding the role of firefighters and placing fire stations at the heart of the community. However, the subsequent Grenfell Tower fire and terrorist incidents led the Mayor to ask the LFC to review their need for additional specialist equipment and support needed to keep Londoners safe. This initial assessment indicated that the London Fire Brigade needed £6 million in new equipment and an additional £6 million a year in running costs.
- 6.20 The Government has cut the level of general grant funding provided to the Fire Brigade for fire and rescue services in London by nearly £50 million in cash terms since 2010-11. This represents a real-terms cut of nearly 30 per cent.
- 6.21 Given the Government's cuts to the LFC and the additional resources required arising from the Grenfell Tower fire and terrorist incidents, the Mayor has concluded that the only way that the LFC can begin to be put on a sustainable financial footing is to start to increase LFC's share of council tax in 2018-19 and commit to increasing it by the same level in future years. Failure to start to increase LFC's share of council tax now would mean that it would be facing a significant funding gap after the turn of the decade, as council tax income can only be built up slowly due to the Government's council tax referendum principles.
- 6.22 Accordingly, the Mayor is proposing to increase the non-police precept by 2.99 per cent in 2018-19 – the maximum without triggering a council tax referendum. He is proposing to allocate all this extra council tax income to LFC but reduce LFC's share of business rates by the equivalent of 1 per cent on the non-police precept and pass this to MOPAC. The impact of this is to increase LFC's share of discretionary Mayoral resources by £4.4 million in 2018-19.
- 6.23 Based on the advice of the London Fire Commissioner, the Mayor has now decided to budget for a 2 per cent pay award for all Fire Brigade staff from 2018-19 onwards. This is to seek to ensure that all 'blue light' services staff are treated equitably across the GLA Group whilst recognising that pay negotiations are ongoing. Further, the 2 per cent assumption becomes more tentative in later years.
- 6.24 Therefore, despite the Mayor starting to build up LFC's share of council tax, the impact of the assumption to budget at a 2 per cent pay award means that LFC are facing a budget shortfall of £12.4 million by 2021-22. This further underlines the need for the Mayor to begin to increase LFC's share of council tax. The Mayor will continue to press the Home Secretary to increase resources allocated to LFC.

**Transport for London (TfL)**

- 6.25 TfL exists to keep London working and growing and make life in London better. Transport is a key driver of economic growth, jobs, new housing and development. The Mayor believes it is right that TfL's budget should be used to unlock jobs and homes and meet the needs of a growing world city.
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- 6.26 TfL received a combined general operating and capital grant from the Department for Transport of £3.2 billion in 2010-11. In 2018-19 its general revenue and capital funding allocation – now entirely provided via retained business rates – is £1.9 billion. This represents a £1.3 billion or a 40 per cent reduction in cash terms or a 50 per cent cut in real terms. In addition, TfL is anticipating a fall in its fares income.
- 6.27 The Mayor is continuing with record levels of capital investment of £2.2 billion over the life of TfL's Business Plan for the Healthy Streets and Air Quality Projects. TfL will continue to invest record amounts in new and improved infrastructure, providing increases in capacity and the capital renewals (averaging £600 million per year) will improve assets such as stations, tracks and our streets. Through additional savings in TfL's operating costs and intensifying value engineering options on projects, TfL will deliver the same outputs for less total capital investment than identified in the previous plan. This modernisation programme also means that TfL can increase the frequency of existing trains, without the immediate need for new trains on the Jubilee and Northern lines, explaining the decision to temporarily pause plans to buy new trains, set out in the previous plan and the associated reduction in capital investment.
- 6.28 The Mayor has announced an overall freeze on TfL fares to 2020. The loss of government grant costs five times the cost of the fares freeze each year. In fact, against a backdrop of falling passenger numbers on National Rail services in London, ridership on TfL's services has been more resilient, with the fares freeze and Hopper fare clearly helping Londoners afford to travel. The latest passenger figures show the benefit of the fares freeze in encouraging more people to use public transport.
- 6.29 The Mayor is clear that he will not tolerate waste and inefficiency which is why TfL are undertaking a fundamental overhaul of their organisation. For the first time in its history, TfL has reduced its operating costs last year and they are already exceeding their operating cost savings targets for this year. TfL remain on target to meet the objective of achieving a surplus on the cost of day-to-day operations, including the costs of financing, in 2021-22.

### **London Legacy Development Corporation (LLDC)**

- 6.30 The London Legacy Development Corporation is driving the legacy of the London Olympic and Paralympic Games to transform the lives of east Londoners. Queen Elizabeth Olympic Park (QEOP) is at the heart of a dynamic new east London where this once in a lifetime opportunity is creating opportunities for local people and driving innovation and growth across the city and the UK. The development of a world class Cultural and Education District (CED) at the Park is central to this vision.
- 6.31 The GLA is the principal funder and lender of last resort to the LLDC. The Mayor's component budget for the LLDC caps LLDC's borrowing at £520 million and makes provision in the GLA's budget for the balance of the forecast costs of the whole regeneration programme.
- 6.32 The Mayor is working to move the London Stadium to a more financially viable position and this is a top priority. A number of workstreams are in train to minimise the subsidy required although this budget takes a prudent view of when these will take effect.
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- 6.33 The Mayor's long-term intent remains that the LLDC reaches a sustainable revenue budget position. Core grant funding is maintained at the same level as last year and LLDC is committed to narrowing its ongoing revenue gap and is on track to achieve that through measures such as reducing the subsidy required by the London Aquatics Centre and Copper Box Arena by £0.6 million and increasing income from the ArcelorMittal Orbit by £0.6 million.
- 6.34 In considering the investments to be made in the QEOP and LLDC's revenue budget position, the additional council tax and business rates that are accruing should be recognised. Last year the estimated total growth in business rates and council tax income compared to 8 years ago was £58 million and this is forecast to increase to £150 million a year by the mid-2020s.

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

- 6.35 The new High Speed 2 (HS2), Crossrail and Great Western Mainline stations at Old Oak Common will provide the impetus for a once in a lifetime regeneration opportunity in that part of West London. The OPDC, using its planning and regeneration powers, aims to ensure that all these benefits are captured and maximised to deliver much needed jobs and homes in London.
- 6.36 The Mayor's Budget provides funding to meet the running costs of OPDC in 2018-19. A contingency provision of £1.7 million is held by the Mayor for OPDC, allowing for OPDC's forecast underspend in 2017-18. Once the outcome of the GLA's Housing Infrastructure Fund (HIF) bids is known later in the year, the OPDC's budget will be reviewed.

### **Future Years**

- 6.37 The Mayor has issued further details of the prospects for the GLA Group for future years (Appendices H and I of Part 2 the budget). It is important to recognise the caveats and limitations set out in this analysis.

## **7 The Impact on Local Taxpayers and Council Tax Referendum Issues**

- 7.1 In deciding on the proposed spending plans across the GLA group of just under £16 billion gross expenditure, the key priorities have been to protect fare payers and to help ensure Londoner's safety by increasing the police precept to the level assumed by the Government when it determined the Police Funding Settlement.
- 7.2 The Mayor's budget requires a Band D council tax of £294.23 for 2018-19 in the 32 London boroughs - £14.21 per annum or 27p per week higher than in 2017-18. Of this increase, £12 will be applied for policing and £2.21 for non-police services with the entire sum allocated for fire services. In practice, however, the equivalent of 74p (one third) of the £2.21 increase in non-police precept will be redirected to fund MOPAC through a £2.2 million reallocation of retained business rates income from the London Fire Commissioner component budget to the MOPAC component budget. The resulting non-police precept paid by council taxpayers in the area of the Common Council of the City of London will be £76.10. These Band D amounts are estimated to generate £862.5 million in council tax revenues.

7.3 Details of the provisions for the holding of Council Tax referendums are set out in Part 3. The council tax referendum principles for 2018-19 are expected to be considered by the House of Commons for approval before the date of the Assembly's final budget meeting on 22 February 2018. The published draft excessiveness principles state that an increase of more than £14.21 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 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 proposed by the Government and would therefore require a referendum to be held. This position is not expected to change and this Draft Budget has been prepared on that basis. The Mayor will make a formal determination regarding the excessiveness of his Final Draft Budget proposals in the report for that budget.

## 8 Conclusions

- 8.1 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.
- 8.2 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 begin to provide the fire service with the resources it needs, in order to protect Londoners.
- 8.3 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.

## 9 Recommendations

- 9.1 On the basis of the information set out in this statement and accompanying documents, that the Assembly approves, without amendment, the Mayor's Draft Consolidated budget and the consolidated council tax requirement for the GLA and the functional bodies (GLA Group) of £862,520,423 as contained in Annex A.
- 9.2 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 (assumed at this stage to be a £20.0 million surplus in respect of council tax) which falls within the component budget for the Mayor of London for the purpose of these statutory calculations under sections 85 to 88 of the GLA Act.

9.3 This final draft consolidated council tax requirement is made up as follows:

<i>Constituent body</i>	<i>Component council tax requirement</i>
Mayor of London	£67,390,346
London Assembly	£2,613,742
Mayor's Office for Policing and Crime	£639,030,812
London Fire Commissioner	£147,485,523
Transport for London	£6,000,000
London Legacy Development Corporation	£NIL
Old Oak and Park Royal Development Corporation	£NIL
<b>Total Consolidated Council Tax Requirement</b>	<b>£862,520,423</b>

## Annex A

### Draft consolidated component and consolidated council tax requirements 2018-19

#### Greater London Authority: Mayor of London ("Mayor") draft component budget

Line	Sum	Description
1	£1,128,580,780	estimated expenditure of the Mayor for the year calculated in accordance with s85(4)(a) of the GLA Act
2	£1,500,000	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	£1,130,080,780	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	-£194,700,000	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	£0	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	-£818,250,434	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	-£20,000,000	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	-£1,032,950,434	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	-£29,740,000	estimate of Mayor's reserves to be used in meeting amounts in line 5 above under s85(5)(b) of the GLA Act
13	-£1,062,690,434	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	£67,390,346	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 draft component council tax requirement for the Mayor for 2018-19 is £67,390,346**

**Greater London Authority: London Assembly ("Assembly") draft component budget**

Line	Sum	Description
15	£7,813,742	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	£7,813,742	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	-£5,200,000	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	-£5,200,000	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	£0	estimate of Assembly's reserves to be used in meeting amounts in lines 19 above under s85(5)(b) of the GLA Act
27	-£5,200,000	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	£2,613,742	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 draft component council tax requirement for the Assembly for 2018-19 is £2,613,742**

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

Line	Sum	Description
29	£3,250,640,978	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	£0	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	£3,250,640,978	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	-£263,759,022	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	-£423,300,000	estimate of the MOPAC's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
36	-£1,882,068,900	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	-£31,223,223	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	£0	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	-£2,600,351,145	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	-£11,259,022	estimate of MOPAC's reserves to be used in meeting amounts in line 33 above under s85(5)(b) of the GLA Act
41	-£2,611,610,166	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	£639,030,812	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 draft component council tax requirement for the MOPAC for 2018-19 is £639,030,812**

**London Fire Commissioner ("LFC" / LFEPA) draft component budget**

Line	Sum	Description
43	£434,152,052	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	£700,000	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	£434,852,052	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	-£35,847,948	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	-£12,247,948	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	-£239,270,632	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	-£287,366,528	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	£0	estimate of LFC's reserves to be used in meeting amounts in line 47 above under s85(5)(b) of the GLA Act
55	-£287,366,528	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LFC (lines (53) + (54) above)
56	£147,485,523	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 draft component council tax requirement for LFC / LFEPA for 2018-19 is £147,485,523.**

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

Line	Sum	Description
57	£7,091,400,000	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	£7,091,400,000	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	-£6,106,700,000	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	-£49,400,000	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	-£929,300,000	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	-£7,085,400,000	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	-£7,085,400,000	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 draft component council tax requirement for TfL for 2018-19 is £6,000,000.**

**London Legacy Development Corporation ("LLDC") draft component budget**

Line	Sum	Description
71	£39,000,000	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	£39,000,000	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	-£35,400,000	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	-£3,600,000	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	-£39,000,000	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	-£39,000,000	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 draft component council tax requirement for the LLDC for 2018-19 is £0 (£NIL).**

**Old Oak and Park Royal Development Corporation ("OPDC") draft component budget**

Line	Sum	Description
85	£7,900,000	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	£7,900,000	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	-£2,800,000	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	-£5,100,000	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	-£7,900,000	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		estimate of OPDC's reserves to be used in meeting amounts in line 89 above under s85(5)(b) of the GLA Act
97	-£7,900,000	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 draft component council tax requirement for the OPDC for 2018-19 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 / LFEPA), Transport for London (TfL), the London Legacy Development Corporation (LLDC) and the Old Oak and Park Royal Development Corporation (OPDC).**

Line	Sum	Description
99	£862,520,423	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 2018-19 is £862,520,423**

**Annex A****Aggregate GLA Group budget for 2018-19**

## Estimated Expenditure

<b>£</b>	<b>GLA Mayor</b>	<b>GLA Assembly</b>	<b>MOPAC</b>	<b>LFC / LFEPA</b>	<b>TfL</b>	<b>LLDC</b>	<b>OPDC</b>	<b>Total</b>
Estimated expenditure	£1,128,580,780	£7,813,742	£3,250,640,978	£434,152,052	£7,091,400,000	£39,000,000	£7,900,000	£11,959,487,552
Estimated allowance for contingencies	£1,500,000	£0	£0	£0	£0	£0	£0	£1,500,000
Estimated reserves to be raised for meeting future expenditure	£0	£0	£0	£700,000	£0	£0	£0	£700,000
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
<b>Estimated total expenditure</b>	<b>£1,130,080,780</b>	<b>£7,813,742</b>	<b>£3,250,640,978</b>	<b>£434,852,052</b>	<b>£7,091,400,000</b>	<b>£39,000,000</b>	<b>£7,900,000</b>	<b>£11,961,687,552</b>

## Estimated Income and Calculation of Council Tax Requirement

£	GLA Mayor	GLA Assembly	MOPAC	LFC / LFEPA	TfL	LLDC	OPDC	Total
Estimate of non-government grant income	-£194,700,000	£0	-£263,759,022	-£35,847,948	-£6,106,700,000	-£35,400,000	-£2,800,000	-£6,639,206,970
Estimate of specific government grant income	£0	£0	-£423,300,000	-£12,247,948	-£49,400,000	£0	£0	-£484,947,948
Estimate of general government grant income	£0	£0	-£1,882,068,900	£0	£0	£0	£0	-£1,882,068,900
Estimate of Retained Business Rates income	-£818,250,434	-£5,200,000	-£31,223,223	-£239,270,632	-£929,300,000	-£3,600,000	-£5,100,000	-£2,031,944,289
Collection fund surplus for council tax	-£20,000,000	£0	£0	£0	£0	£0	£0	-£20,000,000
<b>Estimated total income before use of reserves</b>	<b>-£1,032,950,434</b>	<b>-£5,200,000</b>	<b>-£2,600,351,145</b>	<b>-£287,366,528</b>	<b>-£7,085,400,000</b>	<b>-£39,000,000</b>	<b>-£7,900,000</b>	<b>-£11,058,168,107</b>
Estimate of reserves to be used	-£29,740,000	£0	-£11,259,022	£0	£0	£0	£0	-£40,999,022
<b>Estimated total income after use of reserves</b>	<b>-£1,062,690,434</b>	<b>-£5,200,000</b>	<b>-£2,611,610,166</b>	<b>-£287,366,528</b>	<b>-£7,085,400,000</b>	<b>-£39,000,000</b>	<b>-£7,900,000</b>	<b>-£11,099,167,129</b>
<b>Council tax requirement</b>	<b>£67,390,346</b>	<b>£2,613,742</b>	<b>£639,030,812</b>	<b>£147,485,523</b>	<b>£6,000,000</b>	<b>£0</b>	<b>£0</b>	<b>£862,520,423</b>
<b>COUNCIL TAXBASE</b>	<b>2,936,788.60</b>	<b>2,936,788.60</b>	<b>2,929,587.00</b>	<b>2,936,788.60</b>	<b>2,936,788.60</b>	<b>2,936,788.60</b>	<b>2,936,788.60</b>	
<b>BAND D COUNCIL TAX</b>	<b>£22.95</b>	<b>£0.89</b>	<b>£218.13</b>	<b>£50.22</b>	<b>£2.04</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£294.23</b>