

Background Statement in support of the Mayor's Draft Consolidated Budget for 2017-18

PART 1

Summary

This report presents the Mayor's Budget proposals for the Greater London Authority (GLA) and its functional bodies for the next financial year. The Budget is still in draft form and will be changed before being presented to the Assembly on 20 February as the Mayor's final budget.

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 2017-18 and it is these that the Assembly has the power to amend. The individual Mayor, Assembly and functional body council tax requirements are aggregated to form the consolidated council tax requirement for the GLA Group. This requirement forms the GLA Group precept which is part of the Council Tax bill for households across Greater London collected by the 33 "billing authorities" (the 32 boroughs and City of London Corporation). 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 a separate accompanying document, Part III of this Budget.
- 1.3 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 bodies¹) and a "consolidated budget" for the GLA for the GLA Group. 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. Also, 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.
- 1.4 A summarised version of the budget setting process is as follows:

¹ These are (1) the London Fire and Emergency Planning Authority (LFEPA), (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).

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- (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 of the budget for each component body will be the subject of consultation with the relevant body and the Assembly respectively. This stage has been done (see paragraph 3.1);
 - (c) After preparation of those drafts, the Mayor is required to prepare a draft of his proposed 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 4, 5 and 10 January 2017. 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) 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 consolidated budget that has been determined for 2017-18 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 consolidated budget is deemed by law to have been approved without amendment.
 - (e) 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 2017-18.
- 1.5 Consequently, the Assembly must consider the draft consolidated budget presented for 2017-18 as attached. If no amendments are made, the draft consolidated budget shall be deemed to be approved. A simple majority of votes cast will amend the draft consolidated budget.
- 1.6 It should be noted that at the final budget stage if the Mayor presents a budget, or the Assembly amends the final draft budget, in such a way that it is not in compliance with the Government’s “excessiveness principles” applying to the same financial year as the budget, then the Mayor or Assembly (as the case may be) must at the same time also prepare a “substitute budget” in compliance with those principles. Both budgets would be subject to a referendum of Council Tax payers across Greater London.

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2 Documentation

- 2.1 Annex A to this statement presents the Mayor's draft consolidated budget for 2017-18 as defined in the GLA Act.
- 2.2 A separate accompanying document (Part II of the Budget) provides an explanation of the budget proposals. This is in the same format as the consultation paper summarising the draft budget and the precept requirement which was published on 21 December 2016. The last appendix to that document lists the changes that have been made to the consultation paper.
- 2.3 Another separate accompanying document (Part III of the Budget) provides financial and legal advice to the Mayor and Assembly, and this includes separate advice on the setting of the Assembly component budget.

3 Consultation Process and Responses

- 3.1 In addition to consulting the Assembly and the constituent functional bodies, in preparing his draft budget the Mayor must consult other bodies and 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 by 30 November 2016. The budget consultation paper issued on 21 December 2016 has been widely circulated to each functional body, London borough councils, the Common Council of the City of London, London Councils and a range of business and representative organisations. 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, waste, culture and sport, health, sustainable development, energy, climate change, the environment and area regeneration through the Mayoral Development Corporations².
- 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.

² There are two Mayoral Development Corporations: the London Legacy Development Corporation, and the Old Oak and Park Royal Development Corporation.

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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 2017-18 and future plans which was issued to the GLA Group in July 2016. It has also been supplemented by additional guidance and 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 2017-18 the GLA is due to receive over £3 billion of business rates income of which around £720.2 million will be paid to the Government as a fixed tariff payment and an estimated £42.3 million as a levy on growth, 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.
- 5.2 The £1.6 billion increase in the GLA's income from this source compared to 2016-17 reflects the increase in the GLA's business rates share from 20 per cent to 37 per cent in London under its pilot scheme for business rates retention and the transfer in of TfL's £960 million capital investment grant and the GLA's £148.5 million revenue support grant into the system coupled with the impact of the 2017 revaluation in London. Details of the reforms to business rates and their impact on the budget calculations are set out at Appendix H and I of Part II.
- 5.3 Although the introduction of retained business rates 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 2017-18 and collection fund surplus or deficit estimates for 2016-17 which will change the final precept calculations.

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- 5.4 The GLA is now more vulnerable to volatility in business rates revenues (including the Crossrail BRS) as a result of the new regime. For business rates retention the Authority will have to meet the first £159 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 7.5 per cent of the notional uprated baseline funding for the GLA in respect of retained rates of £2.1 billion (i.e. its assumed funding for services excluding its fixed tariff and estimated levy payments to Government). These figures will be confirmed in final local government finance settlement expected to be approved by Parliament in early February. The Mayor's Business Rates Reserve provides provision to help manage these risks and is maintained at a sufficiently high level to manage these uncertainties.
- 5.5 The provisional 2017-18 Local Government Finance and Fire Settlement was published on 15 December 2016 and is subject to a four week consultation process which ended on 13 January 2017. The settlement confirmed the provisional settlement funding allocations for English local and fire authorities for 2017-18 with indicative allocations for the next two years 2018-19 and 2019-20.
- 5.6 The GLA Group's provisional revenue support grant for 2017-18 for fire and rescue and GLA services which is expected to be rolled into business rates retention is £148.5 million. This is £19.6 million lower in cash terms than the corresponding figure for 2016-17 of £168.1 million. Indicative allocations for 2018-19 and 2019-20 are £136.5 million and £127.9 million respectively. As the GLA has accepted the Government's four year settlement and submitted the required efficiency plan by 14 October 2016 these allocations are not expected to change but remain subject to approval by Parliament in each year.
- 5.7 On 15 December 2016 the Home Office confirmed the general grant allocations for 2017-18 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 general 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.
- 5.8 MOPAC has been allocated general police grant of £1,882.0 million in 2017-18 comprising £849.4 million of core grant, £739.3 million of former CLG formula grant, £119.7 million in council tax benefit legacy grant and £173.6 million in NICC funding. In addition, the Mayor has allocated £28.5 million of retained business rates to MOPAC in respect of council tax freeze grant funding rolled into the baseline.
- 5.9 In the 2015 Spending Review the Department for Transport confirmed TfL's general (operating) grant for 2017-18 to 2018-19 alongside a longer term commitment to 2020-21 in respect of the investment grant element of its funding. This budget assumes that £228.4 million of general (operating) GLA Transport grant will be received for the purposes of TfL in 2017-18. From 2018-19 the operating grant is expected to end.

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Consolidated Council Tax Requirement

- 5.10 On 21 December 2016 the Mayor issued his Budget Consultation Document for 2017-18. More detail is contained in the accompanying explanatory document (Part II 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's proposed consolidated council tax requirement has not changed from the Budget Consultation Document. The Mayor is therefore proposing an increase in the Band D Council Tax of 1.5 per cent from £276.00 to £280.02 in 2017-18 with the entire additional sum allocated to policing. This means the police element of the precept will increase by 1.99 per cent from £202.11 to £206.13 in line with the guidelines for English forces set out in the Home Office settlement for policing.
- 5.11 Once final returns are made at the end of January by the 33 billing authorities in London in respect of their retained business rates forecasts and council tax bases for 2017-18 and collection fund surpluses and deficit for 2016-17, there will be changes to the precept calculations. These will be reflected in the Mayor's final draft budget for 2017-18 which will be considered by the Assembly on 20 February.
- 5.12 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. The Mayor has decided to continue to passport notional shares of retained business rates to functional bodies (LFEPA and TfL) and the GLA (Assembly) for 2017-18.
- 5.13 The Mayor's 2017-18 Budget proposes significant efficiencies and savings across the Group arising from the changes in Government funding. However, the Budget also allows significant capital investment in London's housing and transport infrastructure, to deliver transformation in policing through the OneMet model and to deliver the Olympic Legacy.

6 Budget proposals

Mayor of London

- 6.1 Except for activities prescribed by the GLA Act as falling within the component budget for the Assembly, the budget for the Mayor of London covers all of the GLA's activities.
- 6.2 The GLA is required to determine a separate council tax requirement for each of the Mayor and the Assembly. The combined council tax requirement for the GLA for 2017-18 is £79.8 million, comprising £77.2 million for the Mayor - £65.0 million excluding the forecast collection fund surplus for 2016-17 - and £2.6 million for the Assembly. The methodology used to calculate this is set out in Part II of the Budget. Set out below are the main elements of the GLA (Mayor's) budget for 2017-18.
- 6.3 The Mayor's budget provides for new strategies to be developed, including a new London Plan and a transport strategy, to shape London's long-term future in a way that works for all Londoners, boosting the provision of genuinely affordable housing, better connecting Londoners with employment and social opportunities, making the capital greener, healthier and safer, helping local businesses grow and succeed.

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- 6.4 Using the housing grant of £3.15 billion, the Mayor will increase investment in housing, which for decades has failed to keep up with demand and left many Londoners priced out or in conditions of overcrowding. The budget will accelerate development on GLA, TfL and public sector land; incentivise the building industry to do more and importantly to ensure a range of genuinely affordable homes are built, including social rent, London Living Rent and shared ownership, working towards a long-term strategic target of half of all new homes being genuinely affordable.
- 6.5 New and refocused projects will promote and enhance London's economic strengths, work to preserve its competitiveness, in spite of the uncertainties linked to the UK's relationships with the EU, whilst increasing opportunities for all Londoners to participate, regardless of their age, gender or background.
- 6.6 Funding is allocated to kick-start a number of brand new programmes and initiatives to tackle social integration; address inequalities and support more vulnerable people and communities across London. These priorities cut across all our areas of work, from tech skills for young Londoners to Early Years interventions in health and education, from community engagement in culture, events and in policy-making to the provision of specialised housing for older, disabled or homeless people.
- 6.7 Additional investment is also provided to improve London's environment, so as to make air quality levels safe, to bring about more energy efficient homes and buildings and to create a greener city for all Londoners.
- 6.8 The biggest single component of the GLA's Budget is the financing costs of its £4.1 billion contribution to the costs of Crossrail 1. These costs at £112 million in 2017-18 are fully met by the Business Rate Supplement the Mayor levies on larger business premises across London. The Mayor will set out his proposed policies for the Crossrail BRS for 2017-18 by 31 January which will reflect the impact of the 2017 business rates revaluation on the taxbase for the supplement.
- 6.9 By 31 March 2017 the GLA will have raised the agreed £625 million contribution from London council taxpayers towards the cost of the 2012 Olympic and Paralympic Games and paid the final instalment of this (£28.3 million) to the Department of Culture Media and Sport. The GLA continues to provide post-Games transformation support for the London Legacy Development Corporation; this funding comes from the revenue resources available to the GLA and is not a direct charge to the precept and council tax payers.
- 6.10 The 2017-18 Budget also maintains the GLA's contributions to London and Partners and the Museum of London. The GLA's Budget also includes provision to support the LLDC and OPDC which are described in more detail in separate sections below.
- 6.11 In summary, the GLA's budget supports the Mayor's ambition to further London's success, entrepreneurial spirit, thriving economy, extraordinary diversity and creativity, tolerance and openness to the world. But it also aims to address the huge challenges and strain this success has brought in areas like housing, health, education and the environment, the increasing social inequalities and growing risks of economic exclusion which many Londoners face. The budget is built around the vision of a London where no community feels left behind and where everyone has the opportunities they need to fulfil their potential.

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London Assembly

- 6.12 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 £7.4 million in 2017-18 - £0.2 million higher than in 2016-17 - reflects the additional resources provided by the Mayor through retained business rates to fund its scrutiny functions for the new London Fire Commissioner following the expected abolition of LFEPA in 2017. The Assembly's council tax requirement – net of its increased share of the retained business rates – remains unchanged at £2.6 million.
- 6.13 In response to the Mayor's request to set out its plan for using its Development and Resettlement Reserve, the Assembly identified £0.5m that it would not require. The Mayor's budget now includes this additional amount and consideration is being given to how best this one-off resource could be used to finance non-recurring expenditure.

Mayor's Office for Policing and Crime (MOPAC)

- 6.14 The component budget for the Mayor's Office for Policing and Crime includes the functions of the Metropolitan Police Service (MPS).
- 6.15 The Mayor's draft Police and Crime Plan, published on 1 December, sets out the Mayor's proposed strategy for policing and crime reduction over a four year period from 2017-18 to 2020-21, based on his ambition of making London a safer city for all, no matter who you are or where you live. The draft Plan restores real neighbourhood policing by giving every ward in London at least one additional dedicated police officer and by ensuring local policing priorities reflect local issues. This will give Londoners more confidence in local policing and make London safer.
- 6.16 The Plan also puts improving the protection for vulnerable people at the heart of the work of MOPAC and the MPS. The Plan sets out the Mayor's intention to improve the safety of women and girls at risk of sexual and domestic abuse; provide better protection to children at risk of harm and to stand up against hate crime, intolerance and extremism in our communities. There are also plans to crack down on knife crime and improve services to victims of crime at every stage in the criminal justice process.
- 6.17 The draft Plan is published at a time of continued funding pressure on the Metropolitan Police Service. The Home Secretary has set out that she expects the Met to have funding of £2.5 billion in 2017-18. Consequently, the Mayor has provided additional resources of £24.2 million in order to reduce the impact of funding pressures. This consists of council tax income of £22.8 million (£11.3 million directly from the proposed 1.99 per cent precept increase and £11.5 million from the forecast 2 per cent council tax buoyancy which the Mayor has decided to allocate to MOPAC) and retained business rates of £1.4 million.
- 6.18 The Mayor is determined to defend the strategic target of having 32,000 officers across London, but in the face of such significant central government cuts, it is becoming increasingly difficult. The Mayor has taken the decision to follow through on his commitments to maintaining public safety through raising the police element of the Council tax precept to keep officer numbers as high as possible. The precept is set to increase by 1.99 per cent to ensure a sufficient funding level, with a council tax increase of 8p per Londoner. This increase in the precept is in line with what the Government expects and has announced in its Provisional Police Settlement for 2017-18.

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- 6.19 There is a budget gap which MOPAC faces from 2018-19 onwards which is due to the reduction in Home Office government funding and its continuing underfunding of the National and International Capital City (NICC) policing activities carried out by the MPS. This means that further savings and/or additional resources will be required in future years.
- 6.20 The Mayor and Deputy Mayor for Policing and Crime continue to lobby government for London's fair share of funding, which includes full funding of the NICC Grant and arguing against further funding changes resulting from the funding formula review where they would negatively impact London.
- 6.21 The MPS has plans to secure further savings while improving performance and effectiveness through a programme of transformation across commercial contracts, ICT and digital investment.
- 6.22 By continuing to streamline and transform the MPS, the Mayor's Budget allows the maintenance of neighbourhood teams, officer numbers to be kept high, the fight against terrorism to be sustained, crime to be reduced and Londoners to be kept safe.

London Fire and Emergency Planning Authority (LFEPA)

- 6.23 The London Safety Plan sets out LFEPA's key priorities. A new sixth plan is currently in draft. It is anticipated that this new London Safety Plan (LSP6) will be adopted in April 2017. Therefore, LFEPA's main commitments set out below are still subject to consultation and change. LFEPA's key priorities are to:
- engage with London's communities to inform and educate people in how to reduce the risk of fires and other emergencies;
 - influence and regulate the built environment to protect people, property and the environment from harm;
 - plan and prepare for emergencies that may happen and making a high quality, effective and resilient response to them;
 - use their resources in a flexible and efficient way arriving at incidents as quickly as they can;
 - develop and train staff to their full potential, at the same time transforming the Brigade so that it is a place where people want to work, and have the opportunity to influence how LFEPA works; and
 - maximise how they spend their money, ensuring that the Brigade is supported through intelligent systems and data, property investment, procurement, vehicles and equipment.
- 6.24 Alongside the implementation of LSP6, the Mayor has committed to provide the same level of funding to LFEPA as in 2017-18 - £382.4 million. However, despite this financial support, LFEPA still has to make significant savings in 2020-21, giving three years for LFEPA to plan and pilot approaches to achieve this.

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6.25 The Policing and Crime Bill, when enacted, is expected to abolish LFEPA and establish the London Fire Commissioner (LFC) as a corporate body. The precise date of this transition is not yet confirmed but it is likely to be 1 July 2017. Exact transitional arrangements are to be determined. The Mayor has set a budget for LFEPA for 2017-18 which will be adopted by the LFC.

Transport for London (TfL)

6.26 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 meeting the needs of a growing world city.

6.27 The Government has recognised the importance of transport in London, not least by maintaining funding for TfL's long term capital investment programme and continued commitment to delivering Crossrail 2. Overall London's settlement sought to strike a balance across various demands for funding all of which relate to considerable strategic challenges and are vitally important to Londoners. In light of these pressures, TfL continues to seek out savings and increase income from other sources. The Mayor has continually challenged TfL to become more efficient and by 2020 London will be the only major European city transport network not to require an operational subsidy from central government.

6.28 The Mayor announced an overall freeze on TfL fares to 2020. Single bus fares, single pay as you go fares on the Tube and DLR and Santander cycle hire, will be held at current prices. This will put more than £40 million back into the pockets of Londoners next year and encourage more people to use the network. Travelcard prices and daily and weekly caps are set with the train operating companies and not therefore controlled by the Mayor.

6.29 During September 2016 the Hopper fare was introduced, allowing customers to make an extra bus journey free, as long as it is within one hour of touching in on the first bus. TfL are investing in technology to allow it to deliver unlimited journeys within an hour by the end of 2018.

6.30 In partnership with London Councils and London Boroughs all concessions will be protected during the Mayor's term, providing free or reduced fares to older and disabled people, children, those in receipt of Jobseekers Allowance, and other socially disadvantaged groups.

6.31 Nevertheless, the Spending Review presents an immediate challenge to TfL's operations, with overall resources available reducing by some £2.8 billion over the five year period to 2020-21. Some of this will be mitigated through additional savings and efficiencies. But, TfL recognise that a new approach is needed to successfully meet these challenges and this is reflected in its draft Business Plan covering the period 2017-18 to 2021-22 published on 8 December 2016.

6.32 The plan sets out an ambitious and wide-reaching – but sustainable – programme to meet the Mayor's objectives, including holding TfL fares at their current levels and investing in modernising London's transport infrastructure. The Plan will make the capital's transport more accessible, boost capacity support growth and regenerations and deliver Healthy Streets, all while keeping public transport safe and more affordable for Londoners.

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London Legacy Development Corporation (LLDC)

- 6.33 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 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. In total more than 20,000 jobs could be created by the Park by 2030, including spin-offs in the local economy, with a cumulative economic value of more than £5 billion. It will also be home to more than 10,000 new households by 2030 and this budget includes the funding to speed up this delivery.
- 6.34 The Mayor's 2017-18 component budget for the LLDC provides the funding to progress the development of a world class cultural and education district in Queen Elizabeth Olympic Park that will bring together a range of partner organisations to deliver 3,000 new jobs, 1.5 million additional visitors and £2.8 billion of economic value to Stratford and the surrounding area. The £1.3 billion programme is funded through a combination of Government funding, contributions from partners, receipts from the sale of residential developments, philanthropic donations and GLA funding.
- 6.35 The CED is expected to deliver 3,000 new jobs, 1.5 million additional visitors and £2.8 billion of economic value to Stratford and the surrounding area. UCL East will be the site of a new university campus for University College London (UCL), while Stratford Waterfront features a new campus for the UAL's London College of Fashion, along with major new cultural spaces for the Victoria and Albert Museum and Sadler's Wells. The £1.3 billion programme is funded through a combination of Government funding, contributions from partners, receipts from the sale of residential developments, philanthropic donations and GLA funding.
- 6.36 The Mayor's Budget for 2017-18 will enable the successful operation of the Park and its venues and enable the hosting of major sporting events, including the IAAF World Athletics Championships and the World ParaAthletics Championships this summer.
- 6.37 The Mayor's Budget ensures that LLDC is provided with sufficient funds for its capital expenditure requirements in advance of the capital receipts that will be generated from its activities. LLDC is estimated to require an ongoing capital subsidy up to 2020-21 at which point it is expected to start generating a surplus.

Old Oak and Park Royal Development Corporation (OPDC)

- 6.38 A new Mayoral Development Corporation (MDC) for the Old Oak Common and Park Royal area came into operation on 1 April 2015. The new High Speed 2 (HS2), Crossrail and Great West 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; will ensure that all these benefits are captured and maximised to deliver much needed jobs and homes in London. As the OPDC is a functional body of the GLA under the GLA Act it is required to have its own approved component budget and council tax requirement (if any).
- 6.39 The Mayor's Budget provides funding to meet the running costs of OPDC in 2017-18. Given the early stage of the OPDC's existence and the embryonic and ongoing discussions with Government regarding the Old Oak and Park Royal growth strategy there remains a degree of uncertainty about the level of support that will be required for OPDC in future years.

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- 6.40 The Mayor has considered concerns raised by the Assembly about what the implications would be if the OPDC's budget for 2017-18 was set at the level proposed. The budget does not affect the c11,000 homes currently in OPDC's planning pipeline in Old Oak North whereas the more challenging public sector owned sites are in Old Oak South. The indicative timescale for the delivery of homes and jobs in the southern area is in the 2030s.
- 6.41 Nevertheless, the Mayor has decided to increase the contingency he is holding to facilitate the regeneration of Old Oak and Park Royal from £1 million to £2 million in 2017-18. The contingency is to support a 'self-funding' proposal to be developed by the OPDC, to assist work by Homes for Londoners in bringing forward the wider development in particular future-proofing Old Oak South for development and to enable OPDC to fully implement the recommendations in the Mayor's Review. The Mayor has made clear that in addition the OPDC may put forward capital proposals to support delivery of homes and jobs at Old Oak and Park Royal, the development of which would be covered within the £2 million contingency. Therefore overall the budget provision available to the OPDC is sufficient to enable it to mitigate any prospect of a loss of homes or jobs from that indicatively planned.

Future Years

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

7 The Impact on Local Taxpayers

- 7.1 In deciding on the proposed spending plans across the GLA group of £16 billion gross the key priorities have been to invest in London's infrastructure and ensure Londoner's safety.
- 7.2 Subject to certain key financial information being confirmed, the Mayor's budget requires a Band D Council Tax of £280.02 for 2017-18 in the 32 London boroughs - £4.02 per annum or 8p per week higher than in 2016-17. The entire increase will be invested in order to help maintain police officer numbers across London. The non-police precept paid by council taxpayers the area of the Common Council of the City of London remains unchanged at £73.89. These Band D amounts are provisionally estimated to generate £801.3 million in council tax revenues although this sum will change once the council tax bases and collection fund surpluses for 2017-18 and 2016-17 respectively are confirmed by billing authorities at the end of January 2017.

Capital Spending

- 7.3 The Mayor published his Draft Capital Spending Plan for consultation on 21 December 2016, as part of the Budget Consultation Document (Section 9). Proposed capital spending across the GLA Group totals £4.1 billion, the largest elements relating to housing and transport investment by the GLA and TfL. The estimated capital financing cost of the total Capital Programme is £553 million in 2017-18 including interest payments and sums set aside from revenue to repay debt. Details are set out in section 9 and the relevant Appendices of Part II to the draft budget. The proposed programme of capital spending is reflected fully in these budget proposals.

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Council Tax Referendums

- 7.4 Under chapter 4ZA of the Local Government Finance Act 1992, (replacing the previous “council tax capping” regime) there is provision for the holding of referendums by billing authorities if either of the two calculations of the GLA’s relevant basic amount of council tax (for the City of London and for elsewhere in Greater London) is “excessive” under principles proposed by the Secretary of State and approved by the House of Commons for the forthcoming financial year.
- The excessiveness principles for 2017-18 are likely to be approved by the House of Commons in early February 2017. The Secretary of State has announced that a council tax increase (which includes a precept increase) will be excessive in 2017-18 if it is 2 per cent or more except for shire districts and police forces where the criteria is an increase of 2 per cent or more or £5 whichever is the greater. The GLA is under a duty to determine whether either of its two “relevant basic amounts of council tax” is excessive with regard to these proposed principles;
 - The excessiveness principles refer, in the context of the GLA, to the two relevant basic amounts of council tax (based on Band D) and these must be determined as part of the budget calculations: (1) the “adjusted” relevant basic amount of council tax which applies throughout Greater London outside the City of London (i.e. in the 32 London boroughs), and reflects that area’s funding of the Metropolitan Police Service through MOPAC; and (2) the “unadjusted” relevant basic amount of council tax which applies within the area of the City of London only, and reflects the fact that local council taxpayers in the City do not fund MOPAC (as the City of London Police provides local policing services there using funding provided by the City Corporation including from its local council tax).
 - If either or both figures do not comply with the excessiveness principles, then the component and consolidated budgets, and council tax requirements that give rise to them, are considered “excessive”, with the consequences set out below.
 - If the final draft budget does not comply with these “excessiveness principles” then the Mayor must also prepare and present a “substitute final draft budget” alongside the (excessive) final draft budget prepared and presented to the Assembly.
 - In the event that the final draft budget is approved (with or without amendment) in a form where it is “excessive” then the Assembly must also approve the (non-excessive) substitute final draft budget.
 - Both budgets are then submitted to a referendum of local government electors across the whole of Greater London irrespective of which of the two relevant basic amount of council tax calculations is excessive.
 - Such a referendum is normally to be held on the first Thursday in May, and from the point when the GLA precept is issued to the result of the referendum; billing authorities across Greater London (the boroughs) are not permitted to pay any precept to the GLA. Any referendum on an excessive council tax increase for the GLA in respect of its 2017-18 Budget would take place therefore on Thursday 4th May – the same day as the English council elections outside London. As no London wide elections are scheduled this year the cost of any such referendum would be born entirely by the GLA.

Draft Consolidated Budget for 2017-18

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 precept to help maintain officer numbers.
- 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 GLA Group council tax requirement for the GLA and the functional bodies of £801,326,539 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 £12.2 million surplus in respect of council tax and a £29.7 million deficit in respect of retained business rates) 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 draft consolidated council tax requirement is made up as follows:

<i>Constituent body</i>	<i>Component council tax requirement</i>
Mayor of London	£64,986,935
London Assembly	£2,615,000
Mayor's Office for Policing and Crime	£589,486,604
London Fire and Emergency Planning Authority	£138,238,000
Transport for London	£6,000,000
London Legacy Development Corporation	£NIL
Old Oak and Park Royal Development Corporation	£NIL
Total Consolidated Council Tax Requirement	£801,326,539

Sadiq Khan

Mayor of London

Draft component and consolidated council tax requirements 2017-18

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

Line	Sum	Description
1	£1,029,825,254	estimated expenditure of the Mayor for the year calculated in accordance with s85(4)(a) of the GLA Act
2	£2,400,000	estimated allowance for contingencies for the Mayor under s85(4)(b) of the GLA Act
3	£64,690,971	estimated reserves to be raised for meeting future expenditure of the Mayor under s85(4)(c) of the GLA Act
4	£29,687,520	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	£1,126,603,745	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	-£139,700,000	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	-£909,716,810	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	-£12,200,000	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	-£1,061,616,810	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	£0	estimate of Mayor's reserves to be used in meeting amounts in line 5 above under s85(5)(b) of the GLA Act
13	-£1,061,616,810	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	£64,986,935	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 2017-18 is £64,986,935

Draft Consolidated Budget for 2017-18

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

Line	Sum	Description
15	£7,400,000	estimated expenditure of the Assembly for the year calculated in accordance with s85(4)(a) of the GLA Act
16	£0	estimated allowance for contingencies for the Assembly under s85(4)(b) of the GLA Act
17	£0	estimated reserves to be raised for meeting future expenditure of the Assembly under s85(4)(c) of the GLA Act
18	£0	estimate of reserves to meet a revenue account deficit of the Assembly under s85(4)(d) of the GLA Act
19	£7,400,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the Assembly (lines (15) + (16) + (17) + (18) above)
20	£0	estimate of the Assembly’s income not in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
21	£0	estimate of the Assembly’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
22	£0	estimate of the Assembly’s income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
23	-£4,785,000	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	-£4,785,000	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	-£4,785,000	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	£2,615,000	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 2017-18 is £2,615,000.

Draft Consolidated Budget for 2017-18

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

Line	Sum	Description
29	£3,245,700,000	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	£3,245,700,000	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	-£263,600,000	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	-£420,100,000	estimate of the MOPAC's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
36	-£1,882,000,000	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	-£28,500,000	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	-£2,594,200,000	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	-£62,013,396	estimate of MOPAC's reserves to be used in meeting amounts in line 33 above under s85(5)(b) of the GLA Act
41	-£2,656,213,396	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	£589,486,604	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 2017-18 is £589,486,604.

Draft Consolidated Budget for 2017-18

London Fire and Emergency Planning Authority ("LFEPA") draft component budget

Line	Sum	Description
43	£423,400,000	estimated expenditure of LFEPA for the year calculated in accordance with s85(4)(a) of the GLA Act
44	£0	estimated allowance for contingencies for LFEPA under s85(4)(b) of the GLA Act
45	£6,600,000	estimated reserves to be raised for meeting future expenditure of LFEPA under s85(4)(c) of the GLA Act
46	£0	estimate of reserves to meet a revenue account deficit of LFEPA under s85(4)(d) of the GLA Act
47	£430,000,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for LFEPA (lines (43) + (44) + (45) + (46) above)
48	-£35,400,000	estimate of LFEPA'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	-£12,200,000	estimate of LFEPA's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
50	£0	estimate of LFEPA's income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
51	-£244,162,000	estimate of LFEPA'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 LFEPA'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	-£291,762,000	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 LFEPA's reserves to be used in meeting amounts in line 47 above under s85(5)(b) of the GLA Act
55	-£291,762,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LFEPA (lines (53) + (54) above)
56	£138,238,000	the component council tax requirement for LFEPA (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 LFEPA for 2017-18 is £138,238,000.

Draft Consolidated Budget for 2017-18

Transport for London ("TfL") draft component budget

Line	Sum	Description
57	£6,978,000,000	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	£6,978,000,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the TfL (lines (57) + (58) + (59) + (60) above)
62	-£5,822,500,000	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	-£67,200,000	estimate of TfL's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
64	-£228,000,000	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	-£854,300,000	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	-£6,972,000,000	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	-£6,972,000,000	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 2017-18 is £6,000,000.

Draft Consolidated Budget for 2017-18

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

Line	Sum	Description
71	£39,900,000	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	£39,900,000	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	-£16,800,000	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	-£16,800,000	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	-£33,600,000	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	-£6,300,000	estimate of LLDC's reserves to be used in meeting amounts in line 75 above under s85(5)(b) of the GLA Act
83	-£39,900,000	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 2017-18 is £0.

Draft Consolidated Budget for 2017-18

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

Line	Sum	Description
85	£7,300,000	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	£7,300,000	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	-£4,800,000	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	-£2,500,000	estimate of OPDC's income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
94	£0	estimate of OPDC's share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
95	-£7,300,000	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (90) + (91) + (92) + (93) + (94))
96	-£0	estimate of OPDC's reserves to be used in meeting amounts in line 89 above under s85(5)(b) of the GLA Act
97	-£7,300,000	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 2017-18 is £0.

Draft Consolidated Budget for 2017-18

Greater London Authority (“GLA”) 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 and Emergency Planning Authority (LFEPA), Transport for London (TfL), the London Legacy Development Corporation (LLDC) and the Old Oak and Park Royal Development Corporation (OPDC).

Line		Description
99	£801,326,539	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 draft consolidated council tax requirement for the GLA for 2017-18 is £801,326,539

Aggregate GLA Group budget for 2017-18

Estimated Expenditure

£	GLA Mayor	GLA Assembly	MOPAC	LFEPa	TfL	LLDC	OPDC	Total
Estimated expenditure	£1,029,825,254	£7,400,000	£3,245,700,000	£423,400,000	£6,978,000,000	£39,900,000	£7,300,000	£11,731,525,254
Estimated allowance for contingencies	£2,400,000	£0	£0	£0	£0	£0	£0	£2,400,000
Estimated reserves to be raised for meeting future expenditure	£64,690,971	£0	£0	£6,600,000	£0	£0	£0	£71,290,971
Estimate of reserves to meet a revenue account deficit including forecast collection fund deficit for retained business rates	£29,687,520	£0	£0	£0	£0	£0	£0	£29,687,520
Estimated total expenditure	£1,126,603,745	£7,400,000	£3,245,700,000	£430,000,000	£6,978,000,000	£39,900,000	£7,300,000	£11,834,903,745

Estimated Income and Calculation of Council Tax Requirement

£	GLA Mayor	GLA Assembly	MOPAC	LFEPa	TfL	LLDC	OPDC	Total
Estimate of non-government grant income	-£139,700,000	£0	-£263,600,000	-£35,400,000	-£5,822,500,000	-£16,800,000	-£4,800,000	-£6,282,800,000
Estimate of specific government grant income	£0	£0	-£420,100,000	-£12,200,000	-£67,200,000	£0	£0	-£499,500,000
Estimate of general government grant income	£0	£0	-£1,882,000,000	£0	-£228,000,000	£0	£0	-£2,110,000,000
Estimate of Retained Business Rates income	-£909,716,810	-£4,785,000	-£28,500,000	-£244,162,000	-£854,300,000	-£16,800,000	-£2,500,000	-£2,060,763,810
Collection fund surplus for council tax	-£12,200,000	£0	£0	£0	£0	£0	£0	-£12,200,000
Estimated total income before use of reserves	-£1,061,616,810	-£4,785,000	-£2,594,200,000	-£291,762,000	-£6,972,000,000	-£33,600,000	-£7,300,000	-£10,965,263,810
Estimate of reserves to be used	£0	£0	-£62,013,396	£0	£0	-£6,300,000	£0	-£68,313,396
Estimated total income after use of reserves	-£1,061,616,810	-£4,785,000	-£2,656,213,396	-£291,762,000	-£6,972,000,000	-£39,900,000	-£7,300,000	-£11,033,577,206
Council tax requirement	£64,986,935	£2,615,000	£589,486,604	£138,238,000	£6,000,000	£0	£0	£801,326,539
COUNCIL TAXBASE	2,866,963.53	2,866,963.53	2,859,780.74	2,866,963.53	2,866,963.53	2,866,963.53	2,866,963.53	
BAND D COUNCIL TAX	£22.67	£0.91	£206.13	£48.22	£2.09	£0.00	£0.00	£280.02