

Mayor’s Background Statement in support of his Draft Consolidated Budget for 2020-21

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 Part 1 of the Mayor’s Draft Consolidated Budget sets out the Mayor’s approach to budget decision making, his decisions in regard to council tax and his budget proposals for each of the functional bodies. It is important to note that, at the time of publication, the Government had not yet announced the provisional police finance settlement for 2020-21 and the associated council tax referendum principle for the GLA. Therefore, the figures included within this budget reflect forecasts of police grant and council tax income and will be revised once the Government publishes further information on police funding for 2020-21. Part 1 also sets out the Mayor’s consideration of initial responses to his consultation budget. Further responses received, including the response from the Assembly’s Budget and Performance Committee, will be taken into account in the final draft consolidated budget, published in February.

2 Consultation process and responses

2.1 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 18 December 2019, 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 submit comments. A summary of initial responses received is being made available to Assembly Members concurrently with this Budget. A separate budget engagement process is also being undertaken through Talk London and the results will be reported in the final draft consolidated budget. In August and September 2019, the GLA conducted an online Priorities for Londoners survey with interviews through the Talk London community. This highlighted residents’ priorities and paragraphs 1.37 to 1.42 in Part 2 sets out how these are being addressed in this budget.

3 The Mayor's approach to decision making

- 3.1 The Mayor has a number of statutory functions that must be fulfilled on behalf of Londoners and reflected in a financially balanced budget. He has a duty to create strategies for the capital covering: arts, culture and sport; business and economy; environment; fire; health and health inequalities; housing; planning; policing and crime; and transport.
- 3.2 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.
- 3.3 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.
- 3.4 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.
- 3.5 This approach was reflected in the Mayor’s guidance for the preparation of budget submissions for 2020-21 and future plans, issued to the GLA Group in June 2019. 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.
-

4 Budget proposals

4.1 Revenue budget proposals and funding for each “constituent body” (the Mayor, Assembly and five functional bodies) within the GLA Group are presented in organisational terms in Sections 2 to 8 of Part 2. The GLA’s proposals are shown first and the remainder are presented in order of magnitude of their council tax requirement. Section 9 of Part 2 sets out the proposed Capital Strategy for the GLA Group, including the statutory draft capital spending plan. The individual capital spending plans, capital financing budgets and borrowing limits as well as the revenue budgets at subjective level are set out in Appendices A to F of Part 2. Appendix G of Part 2 provides a summary of the Group’s savings and collaboration activities, Appendices H and I of Part 2 addresses the medium-term financial outlook for the GLA Group and funding assumptions underpinning the budget proposals.

Mayor of London

- 4.2 The Mayoral component budget for the GLA for 2020-21 sets out how the Mayor will continue to deliver on the plans and priorities developed over the last three and a half years.
- 4.3 The Mayor continues to lay the foundations to address London’s housing crisis. The GLA is on track to achieve both the annual target of 17,000 affordable starts in 2019-20 and, by March 2022, the Mayor’s target of 116,000 affordable housing starts since 2016. The Mayor has also reinvigorated municipal house building by allocating over £1 billion to 27 London boroughs to deliver over 10,000 genuinely affordable council homes, all due to start on site by March 2022.
- 4.4 The budget commits additional funding for the environment, enabling continued action to improve air quality, consolidate London’s position as a National Park City, work towards becoming a zero carbon and zero waste city, and driving resilience to severe weather and longer-term climate change impacts. This work builds on the successful introduction of the world’s first Ultra Low Emission Zone in April 2019.
- 4.5 Devolution of the Adult Education Budget (AEB) to London began in August 2019. This budget reflects the first full year impact of the AEB, which is funded by a grant from the Department for Education, which is the main reason for the large year on year increase in the GLA’s budgeted gross expenditure. In 2019-20, the Mayor consulted with London’s skills and employment sector and other stakeholders on future changes to the AEB in London. From 2020-21, changes will be phased in to improve support for English and Maths provision and for the needs of London’s learners with Special Educational Needs and Disabilities.
- 4.6 Returns from billing authorities, due at the end of January 2020, will enable the Mayor to determine the size of any council tax collection fund surplus, the final council tax requirements and, also, the extent to which additional business rates income is available to allocate, reflecting the changes in the business rates pooling arrangements for London in 2020-21.
-

London Assembly

- 4.7 The component budget for the Assembly reflects its proposed staffing establishment, approved levels of Member and group support, and approved policies. The Assembly’s net expenditure and financing requirement is £8.6 million in 2020-21, which includes a transfer of £0.2 million to reserves. 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)

- 4.8 The component budget for the Mayor’s Office for Policing and Crime includes the functions of the Metropolitan Police Service (MPS).
- 4.9 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:
- a better police service in London;
 - a better criminal justice service for London;
 - keeping children and young people safe;
 - tackling violence against women and girls; and
 - standing together against hatred, extremism and intolerance.
- 4.10 The Mayor has established the Violence Reduction Unit (VRU), to tackle violent crime and its underlying causes. In order to continue to support the VRU’s work, this budget allocates additional retained business rates to increase annual core funding for the VRU by £3.2 million. Following confirmation from the Home Office of funding for the VRU next year, the total budget for the VRU in 2020-21 will be £14.7 million.
- 4.11 The Mayor continues to call upon the Government to ensure that MOPAC has the funding needed to keep London safe, following significant reductions in police funding since 2010. The Government has announced that it will provide funding to increase the number of officers across England and Wales by 20,000 and has provided initial officer recruitment targets for each police force area for the first tranche of 6,000 officers. The MPS’ share of this initial total is a target of 1,369 additional officers, with the locally set ambition to recruit this number by September 2020. Whilst the Government has not announced targets for the remainder of 20,000 officers, the Commissioner of the MPS has set a recruitment target of 6,000 officers for London over three years, a target supported by the Mayor.
-

-
- 4.12 Over two-thirds of the funding for policing in London is controlled by the Government. However, at the time of publication, the Home Office has yet to provide details of funding allocations of police grant, including funding to meet the Government’s recruitment targets for local policing bodies in England and Wales. This contrasts with the Ministry of Housing, Communities and Local Government which published the provisional settlement for English local authorities and fire and rescue services on 20 December; this was subject to a four-week consultation process which ended on 17 January. The uncertainty associated with police funding has meant it is necessary to make a series of assumptions in this budget, which is based on the Commissioner’s 6,000 officer target. The budget assumes sufficient funding to enable a balanced position in 2020-21; however, given the lack of information on funding levels, the costs of the additional officers are shown in later years without any offsetting funding, leading to a significant budget gap in those years.
- 4.13 In the absence of any information on likely council tax referendum principles for policing in 2020-21, the Mayor is assuming a 1.99 per cent increase in the adjusted precept, equivalent to a 1.99 per cent increase in the GLA’s Band D element attributable to policing. The Mayor will review this proposal following the Government’s announcement of the provisional police settlement, taking into account proposed funding from central government and the council tax referendum threshold.

London Fire Commissioner (LFC)

- 4.14 The London Fire Commissioner (LFC) is responsible for fire and rescue services in London and supporting the London boroughs in their emergency planning role. The London Safety Plan, approved in March 2017, sets out the London Fire Brigade’s (LFB) role in making London the safest global city, focussing on increasing terrorism response capabilities, expanding the role of firefighters and placing fire stations at the heart of the community.
- 4.15 The new London Fire Commissioner is working at pace to develop his Transformation Programme, including addressing the requirements arising from the recommendations from Phase 1 of the Grenfell Tower Inquiry and the recent HMICFRS inspection. A draft programme will be presented shortly, together with the resources required in 2020-21 to implement these necessary changes. Work is also underway to identify how the programme will achieve efficiencies in later years. The Mayor’s intent is to establish a Transformation Reserve in setting the LFC’s 2020-21 budget to fund the initial expenditure required. This reserve is to be funded from the financial flexibilities available to the Mayor, however, these cannot be finally determined until returns from billing authorities are received at the end of January. The Mayor will ensure that the Assembly are fully consulted on the decisions to be made on the necessary transformation of the LFB.
- 4.16 Following the Grenfell Tower fire, the Mayor increased core funding to the LFC. This additional funding has supported the purchase of new smoke hoods, drones, better personal protective equipment and new aerial appliances. This budget continues to increase funding to the LFC, reflecting the impact of inflation and the need to ensure sustainability for the fire and rescue service in the longer term.
- 4.17 Accordingly, the Mayor is proposing to increase the unadjusted (non-police) precept by 1.99 per cent in 2020-21 – the maximum without triggering a council tax referendum, with the additional income generated from this increase allocated to the LFC. Council tax increases at the same percentage are also assumed for future years.
-

4.18 Given the ongoing impact of the Government’s cuts and the additional resources required arising from the Grenfell Tower fire and terrorist incidents, the LFC faces a budget shortfall of £27.1 million by 2023-24. The Mayor will continue to press the Home Secretary to increase resources allocated to the LFC as part of the forthcoming Spending Review, in particular to meet the recurring shortfall in funding as a result of changes made by the Government to firefighters’ pensions.

Transport for London (TfL)

- 4.19 Transport for London (TfL) is responsible for the planning, delivery and day to day operation of the capital’s public transport system and is committed to creating a fairer, greener, healthier and more prosperous city. TfL plans to continue to eliminate its operating deficit and deliver a surplus on its net cost of operations by 2022-23. TfL is implementing organisational change and efficiency initiatives across the whole organisation, including structural integration programmes and has already created a single Business Services function to streamline common processes.
- 4.20 TfL continues to face some tough financial challenges, including adapting to the loss of an operating grant from central government, changing economic conditions, the delay to Crossrail and the absence of any funding from Government to maintain London’s strategic roads network.
- 4.21 The Mayor’s Budget for TfL will enable it to continue delivery of ambitious plans to make London a cleaner, safer, healthier city through investment to improve London’s streets and create better and more accessible public transport, including:
- completion of the signalling upgrade to increase capacity by a third on the Circle, Hammersmith & City, Metropolitan and District lines;
 - investment in the Healthy Streets programme to improve the experience and safety of places where people live, work, go to school, spend time and travel;
 - electrification of London buses, already the largest electric fleet in Europe, with more than 2,000 zero emission buses by the end of 2024 and all buses zero-emission by 2037 at the latest;
 - proactive renewal of roads and paving, with a focus on improving walking, cycling and public transport. London’s street tree canopy will also be increased every year to help create more green places and clean the cities air; and
 - tightening the Low Emission Zone standards in October 2020 and, in October 2021, expanding the successful central London ULEZ - the toughest air quality standard of any city in the world - to cover all streets within the North and South Circular roads.
- 4.22 TfL’s budget reflects the additional delay to the opening of the central section of the Elizabeth line and the consequent loss of income from fares. However, despite the fact that TfL is the only transport system of any major city in Europe to operate without day-to-day government funding, this budget maintains the Mayor’s freeze on TfL fares until the end of 2020.
-

London Legacy Development Corporation (LLDC)

- 4.23 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 the Mayor is creating, where this once in a lifetime opportunity is generating opportunities for local people and driving innovation and growth across the city and the UK.
- 4.24 The creation of East Bank, an ‘arts, cultural and educational district’ on the QEOP site is central to the Mayor’s vision. This will add 1.5 million visitors to the Olympic Park and surrounding area, more than 2,500 jobs, over 10,000 students coming to the Park, generate £1.5 billion for the local economy and create 600 new homes at Stratford Waterfront.

Old Oak and Park Royal Development Corporation (OPDC)

- 4.25 The OPDC is responsible for delivering the strategic regeneration opportunity provided by 134 hectares of brownfield land close to central London, creating an exemplar sustainable and inclusive community. The new Old Oak Common station will be the UK’s largest ever sub-surface station and will be the largest station to be built in the country in a century. The OPDC budget is based on a revised phasing of plans for the Old Oak area, following the recent detailed land referencing exercise undertaken with local businesses and landowners. Expenditure in 2020-21 is scaled back from previous plans, reflecting the revised phasing plan and a prudent view of the necessary costs for the coming year.

Future years

- 4.26 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.

5 The impact on local taxpayers and council tax referendum issues

- 5.1 In determining the proposed spending plans across the GLA Group, where the gross capital and revenue expenditure for 2020-21 will exceed £18.2 billion, the key priorities have been to protect fare payers and to help ensure Londoners’ safety by increasing both elements of the GLA’s council tax precept to provide additional funding for policing and fire and rescue services.
- 5.2 The Mayor’s budget requires a Band D council tax of £326.92 for 2020-21 in the 32 London boroughs within the Metropolitan Police District - £6.41 per annum or 12p per week higher than in 2019-20. Of this increase, £4.85 will be applied for policing and £1.56 for non-police services with this entire sum allocated for the fire and rescue service. The resulting non-police precept paid by council taxpayers in the area of the Common Council of the City of London will be £79.94. These Band D amounts are estimated to generate a total of £999.4 million in council tax revenues across London, based on current council taxbase forecasts.
-

- 5.3 Details of the provisions for the holding of council tax referendums are set out in Part 3. The published draft excessiveness principles state that an increase of 2 per cent or more in the unadjusted basic amount (i.e. the non police precept payable by taxpayers in the City of London) is deemed excessive and would therefore require a referendum to be held. At the time of writing, the Government had yet to publish the draft referendum principles for the adjusted basic amount (i.e. the total Band D council tax charge applicable in the 32 boroughs), pending the publication of the provisional police settlement for 2020-21. This number for the GLA and the equivalent for other local policing bodies was left blank in the draft excessiveness principles published by the Government on 20 December. The level of the unadjusted basic amount will be reviewed once the referendum principle is announced, in the context of information on police funding in 2020-21 and future years.
- 5.4 The Mayor will make a formal determination regarding excessiveness once both principles are announced for the GLA, and this will be set out in his final draft budget proposals. It is expected that the final council tax referendum principles for 2020-21 will have been confirmed by the House of Commons prior to the date of the Assembly’s final budget meeting, on 24 February 2020.

6 Recommendations concerning the draft consolidated council tax requirement

- 6.1 The Mayor is required to determine consolidated and component council tax requirements for 2020-21 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).
- 6.2 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.
- 6.3 In commending the budget proposals to the Assembly, the Mayor believes that Londoners recognise and support his plans to increase the non-police and police elements of council tax to the assumed maximum, without triggering a referendum, to help increase police officer numbers and continue to provide the fire service with the resources it needs, in order to protect Londoners.
- 6.4 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.
- 6.5 On the basis of the information set out in this statement and accompanying documents, it is recommended 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 £999,375,428 as contained in Annex A.

- 6.6 The council tax requirement is after applying the GLA’s share of the estimated net surplus or deficit for council tax on the collection funds of the 33 billing authorities (assumed at this stage to be a £12.2 million surplus) which is included 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. The estimated council tax collection fund surpluses for 2019-20 will be confirmed by the 33 London billing authorities at the end of January and this £12.2 million figure will be updated to reflect these returns in the final draft budget.
- 6.7 The Mayor’s draft consolidated council tax requirement is made up as follows:

Constituent body	Component council tax requirement
Mayor of London	£67,599,105
London Assembly	£2,634,129
Mayor’s Office for Policing and Crime	£754,523,935
London Fire Commissioner	£168,614,895
Transport for London	£6,003,364
London Legacy Development Corporation	£NIL
Old Oak and Park Royal Development Corporation	£NIL
Total Consolidated Council Tax Requirement	£999,375,428

Annex A

Draft consolidated component and consolidated council tax requirements 2020-21

Greater London Authority: Mayor of London (“Mayor”) draft component budget

Line	Sum	Description
1	£1,721,935,692	estimated expenditure of the Mayor for the year calculated in accordance with s85(4)(a) of the GLA Act
2	£1,000,000	estimated allowance for contingencies for the Mayor under s85(4)(b) of the GLA Act
3	£18,200,000	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	£1,741,135,692	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	-£262,932,000	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	-£311,000,000	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	-£962,005,568	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	-£1,548,137,568	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	-£125,399,019	estimate of Mayor’s reserves to be used in meeting amounts in line 5 above under s85(5)(b) of the GLA Act
13	-£1,673,536,587	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	£67,599,105	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 2020-21 is £67,599,105

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

Line	Sum	Description
15	£8,415,000	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	£150,000	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	£8,565,000	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	-£5,930,871	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	-£5,930,871	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	-£5,930,871	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	£2,634,129	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 2020-21 is £2,634,129

Mayor’s Office for Policing and Crime (“MOPAC”) draft component budget

Line	Sum	Description
29	£3,812,011,000	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	£3,812,011,000	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	-£270,000,000	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	-£580,685,000	estimate of the MOPAC’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
36	-£2,059,920,000	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	-£94,976,065	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	-£3,005,581,065	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	-£51,906,000	estimate of MOPAC’s reserves to be used in meeting amounts in line 33 above under s85(5)(b) of the GLA Act
41	-£3,057,487,065	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	£754,523,935	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 2020-21 is £754,523,935

London Fire Commissioner (“LFC”) draft component budget

Line	Sum	Description
43	£485,996,000	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	£0	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	£485,996,000	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	-£39,793,000	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	-£33,228,000	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	-£230,685,105	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	-£303,706,105	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	-£13,675,000	estimate of LFC’s reserves to be used in meeting amounts in line 47 above under s85(5)(b) of the GLA Act
55	-£317,381,105	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LFC (lines (53) + (54) above)
56	£168,614,895	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 for 2020-21 is £168,614,895

Transport for London (“TfL”) draft component budget

Line	Sum	Description
57	£7,161,545,364	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	£7,161,545,364	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	-£6,182,289,000	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	-£5,040,000	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	-£968,213,000	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	-£7,155,542,000	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	-£7,155,542,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act (lines (67) + (68))
70	£6,003,364	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 2020-21 is £6,003,364.

London Legacy Development Corporation (“LLDC”) draft component budget

Line	Sum	Description
71	£65,687,000	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	£65,687,000	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	-£28,209,000	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	-£32,627,000	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	-£60,836,000	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	-£4,851,000	estimate of LLDC’s reserves to be used in meeting amounts in line 75 above under s85(5)(b) of the GLA Act
83	-£65,687,000	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 2020-21 is £0 (£NIL)

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

Line	Sum	Description
85	£8,600,000	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	£8,600,000	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	-£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	-£7,800,000	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	-£8,600,000	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	-£8,600,000	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 2020-21 is £0 (£NIL)

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 Commissioner (LFC), Transport for London (TfL), the London Legacy Development Corporation (LLDC) and the Old Oak and Park Royal Development Corporation (OPDC).

Line	Sum	Description
99	£999,375,428	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 2020-21 is £999,375,428

Aggregate GLA Group budget for 2020-21

Estimated Expenditure

£	GLA Mayor	GLA Assembly	MOPAC	LFC	TfL	LLDC	OPDC	Total
Estimated expenditure	£1,721,935,692	£8,415,000	£3,812,011,000	£485,996,000	£7,161,545,364	£65,687,000	£8,600,000	£13,264,190,056
Estimated allowance for contingencies	£1,000,000	£0	£0	£0	£0	£0	£0	£1,000,000
Estimated reserves to be raised for meeting future expenditure	£18,200,000	£150,000	£0	£0	£0	£0	£0	£18,350,000
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
Estimated total expenditure	£1,741,135,692	£8,565,000	£3,812,011,000	£485,996,000	£7,161,545,364	£65,687,000	£8,600,000	£13,283,540,056

Estimated Income and Calculation of Council Tax Requirement

£	GLA Mayor	GLA Assembly	MOPAC	LFC	TfL	LLDC	OPDC	Total
Estimate of non-government grant income	-£262,932,000	£0	-£270,000,000	-£39,793,000	-£6,182,289,000	-£28,209,000	-£800,000	-£6,784,023,000
Estimate of specific government grant income	-£311,000,000	£0	-£580,685,000	-£33,228,000	-£5,040,000	£0	£0	-£929,953,000
Estimate of general government grant income	£0	£0	-£2,059,920,000	£0	£0	£0	£0	-£2,059,920,000
Estimate of Retained Business Rates income	-£962,005,568	-£5,930,871	-£94,976,065	-£230,685,105	-£968,213,000	-£32,627,000	-£7,800,000	-£2,302,237,609
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	-£1,548,137,568	-£5,930,871	-£3,005,581,065	-£303,706,105	-£7,155,542,000	-£60,836,000	-£8,600,000	-£12,088,333,609
Estimate of reserves to be used	-£125,399,019	-£0	-£51,906,000	-£13,675,000	£0	-£4,851,000	£0	-£195,831,019
Estimated total income after use of reserves	-£1,673,536,587	-£5,930,871	-£3,057,487,065	-£317,381,105	-£7,155,542,000	-£65,687,000	-£8,600,000	-£12,284,164,629
Council tax requirement	£67,599,105	£2,634,129	£754,523,935	£168,614,895	£6,003,364	£0.00	£0.00	£999,375,428
COUNCIL TAXBASE	3,062,940.87	3,062,940.87	3,055,000.14	3,062,940.87	3,062,940.87	3,062,940.87	3,062,940.87	
BAND D COUNCIL TAX £	£22.07	£0.86	£246.98	£55.05	£1.96	£0.00	£0.00	£326.92