

# Mayor’s Background Statement in support of his Draft Consolidated Budget for 2021-22

## 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 final local government and police finance settlements for 2021-22 and their associated final council tax referendum principles for the GLA for 2021-22 (which require House of Commons approval). The GLA is also awaiting the taxbase forecasts from the 33 London billing authorities for business rates and council tax income for 2021-22 alongside their estimated outturn data for 2020-21. Formal responses from stakeholders to the consultation budget have been considered in the preparation of this draft budget. Any further responses received and 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 constituent body<sup>1</sup> for consultation and they were invited to respond. The budget consultation paper, issued on 16 December 2020, has been widely circulated to each constituent 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 will be made available to Assembly Members. A separate budget engagement process is also being undertaken through Talk London and the results will be reported in the final draft consolidated budget.

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<sup>1</sup> These are the GLA – Mayor and Assembly – and the five functional bodies: the London Fire Commissioner (LFC), the Mayor’s Office for Policing & Crime (MOPAC), the London Legacy Development Corporation (LLDC), the Old Oak & Park Royal Development Corporation (OPDC) and Transport for London (TfL).

### **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 funding arrangements and revenues from key income sources, 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 exist which are arguably more pronounced for this budget than in any year since the Greater London Authority and Mayoralty was created. 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. This Budget is set in the context of significant additional expenditure pressures and reduced income from fares, council tax and business rates arising from the COVID-19 pandemic.
- 3.5 This approach and the impact of the pandemic was reflected in the Mayor’s guidance for the preparation of budget submissions for 2021-22 and future plans, issued to the GLA Group in June 2020. 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.
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## 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 (Mayor and Assembly constituent) 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 (excluding in the latter case those for the GLA: Mayor and Assembly component budget) 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 address the medium-term financial outlook for the GLA Group and funding assumptions underpinning the budget proposals.
- 4.2 This Budget however is being prepared against the backdrop of what has been one of the most challenging year’s in living memory for the capital. Over ten thousand Londoners have died as a result of COVID-19 and thousands more have lost their jobs. Countless businesses have gone under or are on the brink, and everyone’s lives have been put on hold. The urgent work of responding to the pandemic has consumed much of the efforts and resources of the Mayoral bodies throughout the year.
- 4.3 All proposals are subject to change in the final draft budget, given the uncertainty as to impact of the taxbase forecasts from the 33 London billing authorities (the 32 London boroughs plus the City of London Corporation) for business rates and council tax income for 2021-22 and their estimated outturn data for 2020-21.

### GLA: Mayor of London

- 4.4 The Mayoral component budget for the GLA for 2021-22 sets out how the Mayor will continue to deliver on the plans and priorities developed over the last four and a half years since he took office and also how he will respond to the significant challenges now faced as London recovers from the economic, social, health and equality impacts of the COVID-19 pandemic.
- 4.5 The GLA has focused its budget on London’s recovery, including the nine Recovery Missions developed through the London Recovery Board to help London’s recovery from the COVID-19 pandemic and its economic, health and social impacts:
- A Green New Deal – To tackle the climate and ecological emergencies and improve air quality by doubling the size of London's green economy by 2030 to accelerate job creation for all;
  - A Robust Safety Net – By 2025, every Londoner is able to access the support they need to prevent financial hardship;
  - High Streets for All – To deliver enhanced public spaces and exciting new uses for underused high street buildings in every borough by 2025, working with London’s diverse communities;
  - A New Deal for Young People – By 2024 all young people in need are entitled to a personal mentor and all young Londoners have access to quality local youth activities;
  - Helping Londoners into Good Work – To support Londoners into good jobs with a focus on sectors key to London’s recovery;
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- Mental Health and Wellbeing – By 2025 London will have a quarter of a million wellbeing ambassadors, supporting Londoners where they live, work and play;
- Digital Access for All – Every Londoner to have access to good connectivity, basic digital skills and the device or support they need to be online by 2025;
- Healthy Food, Healthy Weight – By 2025 every Londoner lives in a healthy food neighbourhood; and
- Building Strong Communities – By 2025, all Londoners will have access to a community hub ensuring they can volunteer, get support and build strong community networks.

4.6 In addition, the GLA budget also directs investment into Recovery Foundations that underpin the GLA’s contribution to London’s recovery. These include the Mayor’s continued works to lay the foundations to address London’s housing crisis, with funding. The GLA is on track to achieve 116,000 affordable homes starts within London by 2023 with and an additional 35,000 affordable homes starts by 2026.

### **GLA: 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 gross expenditure in 2021-22 is £7.3 million and its financing requirement is £7.0 million. The Assembly’s council tax requirement – net of its increased share of retained business rates – is £2.50 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). The Mayor’s Police and Crime Plan – A Safer City for all Londoners, sets out five top priorities:

- 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.

4.9 The Police and Crime Plan was due to be refreshed this year, following the Mayoral elections scheduled for May 2020. However, the Government took the decision to postpone the elections by a year as a result of the COVID-19 pandemic and therefore the existing Police and Crime Plan 2017-21 will remain in force for an additional year.

4.10 The Mayor has established the Violence Reduction Unit (VRU), to tackle violent crime and its underlying causes. He is awaiting formal confirmation from the Home Office of funding for the VRU next year without which the unit’s budget would decrease from £19.7 to £12.1 million as set out in the MOPAC budget in Part 2.

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- 4.11 The Mayor published his Action Plan in November 2020 to improve trust and confidence in the MPS and to address community concerns about disproportionality in the use of certain police powers affecting Black Londoners. The Mayor has committed, as part of the action plan, to invest £1.7 million to develop greater community involvement in police officer training and in the recruitment and progression of Black officers in the MPS.
- 4.12 The Mayor continues to call upon the Government to ensure that MOPAC has the funding needed to keep London safe. The Government announced in 2019 that it will provide funding to increase the number of officers across England and Wales by 20,000 and provided initial officer recruitment targets for each police force area in 2020-21 for the first tranche of 6,000 officers. The MPS’ share of this initial total was a target of 1,369 additional officers. In the 2021-22 provisional police settlement the Government announced a recruitment allocation target of 1,344 officers for the Metropolitan Police from the second tranche of 6,000 officers nationally. Whilst the Government has not announced targets for the remaining 8,000 officers the Commissioner of Police recommends that London should be allocated 6,000 officers over three years, a view that is supported by the Mayor. This would mean that the MPS should receive 3,287 officers from the remaining 8,000 allocation.
- 4.13 More than three quarters of the funding for policing in London is controlled by the Government. The impact of the provisional police settlement announced on 17 December is set out in Part 2. 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 2021-22; 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.
- 4.14 The Mayor is proposing a £15 increase in the Band D police element of his precept in 2021-22. This is in line with the target set out by the Home Office in the police settlement. The Mayor considers this increase is necessary in order to ensure that the Metropolitan Police is adequately funded in 2021-22 in light of the grant levels made available by the Home Office.

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

- 4.15 The London Fire Commissioner (LFC) is responsible for fire and rescue services in London and supporting the London boroughs in their emergency planning role through the London Fire Brigade (LFB).
- 4.16 LFC’s Integrated Risk Management Plan (IRMP), known as the London Safety Plan, sets out how LFC will contribute to making London the safest global city. In summary, the Plan’s key priorities are to:
- use resources in a flexible and efficient way, arriving at incidents as quickly as the LFB can; and
  - develop and train staff to their full potential, at the same time transforming the LFB to ensure it is an employer of choice and that staff have the opportunity to influence how the Brigade works.
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- 4.17 The publication of the Grenfell Tower Inquiry stage 1 report in October 2019 and Her Majesty’s Inspectorate of Constabulary and Fire and Rescue Service’s (HMICFRS) inspection in December 2019, set out a number of recommendations requiring urgent action from the LFC. In January 2020 the Commissioner published his Transformation Delivery Plan, setting out the strategy and priorities for the LFB. A Transformation Director has been appointed and a new Transformation Directorate created. The ongoing transformation of the Brigade will be a key element of the next IRMP.
- 4.18 Following the Grenfell Tower fire, the Mayor provided additional funding to the LFC. This additional funding has supported the purchase of new smoke hoods, drones, better personal protective equipment and new aerial appliances. The LFC budget continues to reflect the need to ensure sustainability for the fire and rescue service in the longer term.
- 4.19 Accordingly, the Mayor is proposing to increase the fire element of his precept by £1.59 in 2021-22 – equivalent to the monetary impact of a 1.99 per cent increase on the 2020-21 non police precept – which is the referendum principles limit for equivalent fire and rescue authorities in England.
- 4.20 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 potential budget shortfall of £8.3 million in 2022-23. The Mayor will continue to press the Home Secretary to increase resources allocated to the LFC as part of the multi-year Spending Review expected in 2021.

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

- 4.21 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 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.
- 4.22 TfL faces very tough financial challenges due to the impact of the pandemic on fare revenues, the delay to Crossrail and the absence of any funding from the Government to maintain London’s strategic roads network. The Mayor and TfL have negotiated two extraordinary funding deals with the Department for Transport (DfT) and further negotiations are continuing to agree a long term funding deal. On 15 January TfL published its Financial Sustainability Plan submission which has been sent to the Secretary of State for Transport as required under the second funding agreement. The Secretary of State has acknowledged that a further funding agreement must be in place before 22 March.
- 4.23 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:
- capital investment of including renewals, line upgrades and contributions to Crossrail, including Elizabeth line trains and enabling works £2.8 billion. A funding deal to provide a further £825 million to complete the Crossrail project was concluded with the GLA and Department for Transport in November 2020;

- continuing to optimise the bus network in response to changing demand, and TfL and partner authorities’ plans for other modes;
  - helping to clean up London’s toxic air quality by toughening the Low Emission Zone (LEZ) standards for heavy vehicles in March 2021 and, in October 2021, expanding the ULEZ - the toughest air quality standard of any city in the world - to cover all roads within the North and South Circular roads;
  - investment to improve the experience and safety of places where people live, work, go to school, spend time and travel;
  - continuing the electrification of London buses, already the largest electric fleet in Europe, to ensure all buses are zero-emission by 2037 at the latest; and
  - maintaining borough funding for the Local Implementation Plan (LIP) at the same level as agreed in last year’s plan, however any future schemes are dependent on TfL’s ability to secure a sustainable funding solution.
- 4.24 The Mayor is proposing to increase the TfL element of his precept by £15 (Band D), compared to the consultation budget, to maintain free bus and tram travel for under 18s and continue the 60+ Oyster photocard. The £15 precept increase is expected to raise over £43 million in 2021-22 to help fund these schemes.

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

- 4.25 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.
- 4.26 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.
- 4.27 There has been an increase of almost £115 million to £628 million in total in the estimated cost, including risk provisions, of East Bank. Over half (£63 million) of this is due to the estimated impact of COVID-19 on the project, both owing to the first lockdown and the subsequent COVID-secure restrictions on site and prolongation of the programme. The remainder is due to higher than anticipated tender prices and design challenges. The GLA’s capital reserve for LLDC has been increased by £88 million (for East Bank and other LLDC capital pressures and opportunities). As financial partners in this scheme and because there are unfunded risks on the programme, a bid has been made for a financial contribution from the Government, the outcome of which is still unknown.

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

- 4.28 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 has been prepared in the context of OPDC moving towards a new delivery strategy, including a new focus on the regeneration of the ‘Western Lands’ along Old Oak Common Lane, Old Oak Lane and Victoria Road where key sites are owned by the Department for Transport and Network Rail.

### **Future years**

- 4.29 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 statutory gross capital and revenue expenditure for 2021-22 will exceed £19.3 billion, the key priorities have been to help ensure Londoners’ safety by increasing the police and non-police elements of the GLA’s council tax precept to provide additional funding for policing and fire and rescue services, to deliver a sustainable budget for TfL while protecting key travel concessions for under 18s and all Londoners aged 60+ and set out how the GLA Group collectively will respond to the challenges faced by the capital, its residents and businesses following the COVID-19 pandemic.
- 5.2 The Mayor’s budget requires a Band D council tax of £363.66 for 2021-22 in the 32 London boroughs within the Metropolitan Police District - £31.59 per annum or £2.63 per month higher than in 2020-21. Of this increase, £15 will be applied for policing, £15 to fund concessionary travel for Londoners aged under 18 and to maintain the 60+ Oyster photocard and £1.59 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 £96.53. These Band D amounts are estimated to generate a total of £1,044.7 million in council tax revenues across London, based on assumed council taxbase forecasts. This estimate will be revised in the Mayor’s final draft budget once all 33 London billing authorities have confirmed their actual council taxbases for 2021-22 at the end of January 2021.
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- 5.3 Details of the provisions for the holding of council tax referendums are set out in Part 3. The draft excessiveness principles for 2021-22 published by the Government on 17 December 2020 (<https://www.gov.uk/government/publications/draft-council-tax-reports-2021-to-2022>) state that that an increase of 2 per cent or more (equivalent to a maximum of £1.59) in the unadjusted basic amount (i.e. the non-police precept payable by taxpayers in the City of London) and/or an increase of more than £16.59 in the adjusted precept including a £15 element for policing is to be deemed “excessive” and would therefore require a referendum to be held. The Mayor has written to the Secretary of State for Transport requesting that both the unadjusted and adjusted council tax limits be increased by £15 in equivalent monetary terms in order to maintain existing travel concessions for the under 18s and all Londoners aged 60 and over. It is assumed therefore in this draft budget, that the Government will, as part of the final local government finance settlement, announce modified referendum principles for the GLA (both for the adjusted and unadjusted basic amount) that are consistent with the proposed increases set out in paragraph 5.2 above. Any final principles proposed by the Secretary of State for Housing, Communities and Local Government will be subject to formal approval through a vote in the House of Commons next month.
- 5.4 The Mayor will make a formal determination regarding his final proposals’ potential 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 2021-22 will have been confirmed by the House of Commons prior to the date of the Assembly’s final budget meeting, on 25 February 2021.

## **6 Recommendations concerning the draft consolidated council tax requirement**

- 6.1 The Mayor is required to determine consolidated and component council tax requirements for 2021-22 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 permitted maximum, without triggering a referendum, to help increase police officer numbers, protect concessionary travel for Londoners aged under 18 and all those aged 60+ 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 towards keeping Londoners safe, 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 (Mayor and Assembly) and the functional bodies (GLA Group) of £1,044,687,210 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 as at 31 March 2021. This is forecast at this stage to be a deficit of £70 million. This figure is gross of the revenues from the Government’s compensation scheme covering 75 per cent of budgeted council tax losses for 2020-21 which are deemed ‘irrecoverable’ as these cannot be predicted at this stage with certainty. The estimated council tax collection fund surpluses for 2020-21 will be confirmed by the 33 London billing authorities at the end of January and this £70 million figure will be updated to reflect these returns and the assessment of the impact of the 75 per cent irrecoverable losses compensation scheme in the final draft budget.
- 6.7 The Mayor’s draft consolidated council tax requirement is comprised as follows (subject to rounding to the nearest pound):

<b>Constituent body</b>	<b>Component council tax requirement</b>
Mayor of London	£62,460,226
London Assembly	£2,504,166
Mayor’s Office for Policing and Crime	£766,839,945
London Fire Commissioner	£163,691,846
Transport for London	£49,191,026
London Legacy Development Corporation	£NIL
Old Oak and Park Royal Development Corporation	£NIL
<b>Total Consolidated Council Tax Requirement</b>	<b>£1,044,687,210</b>

## Annex A

### Draft consolidated component and consolidated council tax requirements 2021-22

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

Line	Sum	Description
1	£1,668,149,226	estimated expenditure of the Mayor for the year calculated in accordance with s85(4)(a) of the GLA Act
2	£0	estimated allowance for contingencies for the Mayor under s85(4)(b) of the GLA Act
3	£0	estimated reserves to be raised for meeting future expenditure of the Mayor under s85(4)(c) of the GLA Act
4	£0	estimate of reserves to meet a revenue account deficit of the Mayor under s85(4)(d) of the GLA Act reflecting the collection fund deficit for retained business rates
5	<b>£1,668,149,226</b>	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	-£246,800,000	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	-£345,200,000	estimate of the Mayor’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
8	-£25,000,000	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	-£895,289,000	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	£0	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	<b>-£1,512,289,000</b>	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	-£93,400,000	estimate of Mayor’s reserves to be used in meeting amounts in line 5 above under s85(5)(b) of the GLA Act
13	<b>-£1,605,689,000</b>	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	<b>£62,460,226</b>	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 2021-22 is £62,460,226**

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

<b>Line</b>	<b>Sum</b>	<b>Description</b>
15	£7,004,166	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	<b>£7,004,166</b>	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	-£4,500,000	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	<b>-£4,500,000</b>	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	<b>-£4,500,000</b>	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	<b>£2,504,166</b>	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 2021-22 is £2,504,166**

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

<b>Line</b>	<b>Sum</b>	<b>Description</b>
29	£3,989,763,087	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	<b>£4,989,763,087</b>	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	-£290,200,000	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	-£583,100,000	estimate of the MOPAC’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
36	-£2,181,300,000	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	-£27,923,142	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	<b>-£3,082,523,142</b>	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	-£140,400,000	estimate of MOPAC’s reserves to be used in meeting amounts in line 33 above under s85(5)(b) of the GLA Act
41	<b>-£3,222,923,142</b>	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	<b>£766,839,945</b>	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 2021-22 is £766,839,945**

**London Fire Commissioner (“LFC”) draft component budget**

<b>Line</b>	<b>Sum</b>	<b>Description</b>
43	£489,300,000	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	<b>£489,300,000</b>	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	-£41,200,000	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	-£33,300,000	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	-£228,108,154	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	<b>-£302,608,154</b>	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	-£23,000,000	estimate of LFC’s reserves to be used in meeting amounts in line 47 above under s85(5)(b) of the GLA Act
55	<b>-£325,608,154</b>	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LFC (lines (53) + (54) above)
56	<b>£163,691,846</b>	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 2021-22 is £163,691,846**

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

<b>Line</b>	<b>Sum</b>	<b>Description</b>
57	£7,525,791,026	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	£875,100,000	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	<b>£8,400,891,026</b>	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	-£4,542,200,000	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	-£3,035,800,000	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	-£773,700,000	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	<b>-£8,351,700,000</b>	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	<b>-£8,351,700,000</b>	aggregate of the amounts for the items set out in section 85(5) of the GLA Act (lines (67) + (68))
70	<b>£49,191,026</b>	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 2021-22 is £49,191,026**

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

<b>Line</b>	<b>Sum</b>	<b>Description</b>
71	£58,800,000	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	<b>£58,800,000</b>	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	-£32,000,000	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	-£26,800,000	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	<b>-£58,800,000</b>	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (76) + (77) + (78) + (79) + (80))
82	£0	estimate of LLDC’s reserves to be used in meeting amounts in line 75 above under s85(5)(b) of the GLA Act
83	<b>-£58,800,000</b>	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LLDC (lines (81) + (82) above)
84	<b>£0.00</b>	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 2021-22 is £0 (£NIL)**

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

<b>Line</b>	<b>Sum</b>	<b>Description</b>
85	£6,500,000	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	<b>£6,500,000</b>	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	-£300,000	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	-£6,200,000	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		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	<b>-£6,500,000</b>	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	<b>-£6,500,000</b>	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for OPDC (lines (95) + (96) above)
98	<b>£0.00</b>	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 2021-22 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).**

<b>Line</b>	<b>Sum</b>	<b>Description</b>
99	<b>£1,044,687,210</b>	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 2021-22 is £1,044,687,210**

## Aggregate GLA Group budget for 2021-22

### Estimated Expenditure

£	GLA Mayor	GLA Assembly	MOPAC	LFC	TfL	LLDC	OPDC	Total
Estimated expenditure	£1,668,149,226	£7,004,166	£3,989,763,087	£489,300,000	£7,525,791,026	£58,800,000	£6,500,000	£13,745,307,505
Estimated allowance for contingencies	£0	£0	£0	£0	£0	£0	£0	£0
Estimated reserves to be raised for meeting future expenditure		£0			£875,100,000		£0	£875,100,000
Estimate of reserves to meet a revenue account deficit including forecast collection fund deficit for retained business rates	£0	£0	£0	£0	£0	£0	£0	£0
<b>Estimated total expenditure</b>	<b>£1,668,149,226</b>	<b>£7,004,166</b>	<b>£3,989,763,087</b>	<b>£489,300,000</b>	<b>£8,400,891,026</b>	<b>£58,800,000</b>	<b>£6,500,000</b>	<b>£14,620,407,505</b>

**Estimated Income and Calculation of Council Tax Requirement**

<b>£</b>	<b>GLA Mayor</b>	<b>GLA Assembly</b>	<b>MOPAC</b>	<b>LFC</b>	<b>TfL</b>	<b>LLDC</b>	<b>OPDC</b>	<b>Total</b>
Estimate of non-government grant income	-£246,800,000	£0	-£290,200,000	-£41,200,000	-£4,542,200,000	-£32,000,000	-£300,000	-£5,152,700,000
Estimate of specific government grant income	-£345,200,000	£0	-£583,100,000	-£33,300,000	-£3,035,800,000	£0	£0	-£3,997,400,000
Estimate of general government grant income	-£25,000,000	£0	-£2,181,300,000	£0	£0	£0	£0	-£2,206,300,000
Estimate of Retained Business Rates income	-£895,289,000	-£4,500,000	-£27,923,142	-£228,108,154	-£773,700,000	-£26,800,000	-£6,200,000	-£1,962,520,295
Collection fund surplus for council tax	£0	£0	£0	£0	£0	£0		£0
<b>Estimated total income before use of reserves</b>	<b>-£1,512,289,000</b>	<b>-£4,500,000</b>	<b>-£3,082,523,142</b>	<b>-£302,608,153.61</b>	<b>-£8,351,700,000</b>	<b>-£58,800,000</b>	<b>-£6,500,000</b>	<b>-£13,318,920,295</b>
Estimate of reserves to be used	-£93,400,000	£0	-£140,400,000	-£23,000,000	£0	£0	£0	-£256,800,000
<b>Estimated total income after use of reserves</b>	<b>-£1,605,689,000</b>	<b>-£4,500,000</b>	<b>-£3,222,923,142</b>	<b>-£325,608,154</b>	<b>-£8,351,700,000</b>	<b>-£58,800,000</b>	<b>-£6,500,000</b>	<b>-£13,575,720,295</b>
<b>Council tax requirement</b>	<b>£62,460,226</b>	<b>£2,504,166</b>	<b>£766,839,945</b>	<b>£163,691,846</b>	<b>£49,191,026</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£1,044,687,210</b>
<b>COUNCIL TAXBASE</b>	<b>2,878,351.44</b>	<b>2,878,351.44</b>	<b>2,870,662.02</b>	<b>2,878,351.44</b>	<b>2,878,351.44</b>	<b>0.00</b>	<b>0.00</b>	
<b>BAND D COUNCIL TAX £</b>	<b>21.70</b>	<b>0.87</b>	<b>267.13</b>	<b>56.87</b>	<b>17.09</b>	<b>0.00</b>	<b>0.00</b>	<b>363.66</b>