

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD2240

### Title: Approval of 2018-19 Council Tax and Precepts and Communication to Council Taxpayers

#### Executive Summary:

The Mayor's final draft budget for 2018-19 was considered at the meeting of the London Assembly held on 22 February 2018. The Assembly made no amendment to this and it therefore becomes the Greater London Authority's (GLA's) consolidated budget for the next financial year. Approval of the final draft budget allows the calculation of the GLA consolidated council tax requirement and precepts. The Mayor is asked in this decision form to agree these amounts and to the issuing of the formal precept notifications to the 33 London billing authorities (the 32 boroughs and the City of London) as set out at Appendix A.

The Mayor is also asked to approve the explanatory supporting text in relation to the GLA budget and precept and associated calculations which will be circulated to the 33 council tax billing authorities in London so that they can make this available to council taxpayers. Two versions of the explanatory text have been prepared – a long version representing the GLA's preferred text and a short version which billing authorities may, at their discretion, use instead in order to reduce the cost of their council tax billing process. The two alternative versions are set out in Appendix B.

#### Decision:

The Mayor is requested:

(a) To agree the calculations for 2018-19 for:

- a. the amount of the consolidated council tax requirement for the Greater London Authority of £865,678,414 and the proposed Band D equivalent council tax precepts (£294.23 in the 32 London boroughs and £76.10 in the Common Council of the City of London);
- b. the tax for different valuation bands; and
- c. the amount of council tax collectable by each billing Authority and payable to the GLA consistent with the consolidated council tax requirement approved without amendment by the London Assembly on 22 February 2018.

(b) To agree to the issue of the GLA precept data for 2018-19 to the 33 council tax billing authorities (the 32 London boroughs and the Common Council of the City of London).

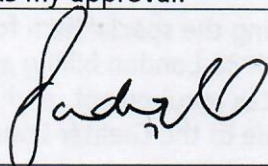
(c) To formally approve both the alternative versions of the 2018-19 council tax explanatory text in respect of the GLA budget and precept to be issued to the 33 council tax billing authorities for communication to the occupiers of domestic properties in London.

#### Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

22/2/18



## PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

### Decision required – supporting report

#### 1. Introduction and background

- 1.1 The Mayor's draft consolidated budget was considered by the London Assembly at its meeting on 25 January 2018, and the Assembly approved the Draft Consolidated Budget without amendment. On 14 February the Mayor published his final draft budget. The Mayor's final draft budget for 2018-19, with its supporting material, was considered at the meeting of the London Assembly held on 22 February 2018. The Assembly made no amendment to the final draft budget, and it was therefore deemed to be approved unamended, and this budget is therefore the Authority's consolidated budget for the next financial year. Approval of the final draft budget allows the calculation of the GLA council tax and precepts which must be notified to the 33 council tax billing authorities in London (the 32 London boroughs and the City of London) by 28 February 2018. This decision form asks the Mayor to approve the Band D council tax and precepts on the 33 London billing authorities for 2018-19 as set out in Appendix A.
- 1.2 The Mayor is also asked to approve the two alternative versions of the explanatory supporting information that the GLA will submit to the 33 billing authorities for the information of council taxpayers as set out in Appendix B.

#### 2. Objectives and expected outcomes

- 2.1 The final draft budget sets out the component council tax requirements for the GLA and each functional body and the consolidated council tax requirement for the GLA group. The purpose of this decision form is to request that the Mayor confirms the approved council tax requirements which are set out below. These figures are rounded to the nearest pound.

<i>Constituent body</i>	<i>Component council tax requirement</i>
Mayor of London	£67,658,740
London Assembly	£2,623,300
Mayor's Office for Policing and Crime	£641,371,487
London Fire and Emergency Planning Authority	£148,024,887
Transport for London	£6,000,000
London Legacy Development Corporation	£NIL
Old Oak and Park Royal Development Corporation	£NIL
<b>Total Consolidated Council Tax Requirement</b>	<b>£865,678,414</b>

- 2.2 The first table in Appendix A sets out the statutory calculations under sections 88 and 89 of the Greater London Authority Act 1999 (the GLA Act) (as amended) for determining the two component parts of the Mayor's precept –

Item (A) the basic amount of council tax excluding the special item for the Mayor's Office of Policing and Crime (MOPAC), which applies in all 33 London billing authorities. This is calculated by dividing the consolidated council tax requirement, excluding the MOPAC component, by the council tax base for the whole of the Greater London Authority area. This is calculated as £76.10;



Item (B) the basic amount of council tax including the special item for MOPAC (which does not apply in the area of the Common Council of the City of London which has its own police force). This is calculated by dividing the council tax requirement for MOPAC by the council tax base for the Metropolitan Police District area (i.e. excluding the City of London). This is calculated as £218.13.

- 2.3 Items A and B are added together to determine the Mayor's precept for the 32 London boroughs. For 2018-19 this is £294.23 for a Band D property. Item A is the precept applying in the area of the Common Council of the City of London only (£76.10 per Band D property).
- 2.4 The second table in Appendix A sets out the amount of council tax for each of the eight different valuation bands (A to H) applying in the 32 boroughs and the City of London. The third table sets out the amounts of the precept to be issued to each billing authority (i.e. their individual Band D taxbases multiplied by £294.23 in each of the 32 boroughs and £76.10 in the City of London). The sums in the third table exclude the GLA's share of each billing authority's declared collection fund surplus or deficit for 2017-18 which will be added to or deducted from the precept amount shown when determining the instalments payable in 2018-19. The GLA's share of the estimated net collection fund surplus for council tax for 2017-18 across the 33 London billing authorities is £23.9 million.
- 2.5 Appendix B contains two alternative versions of the explanatory information (i.e. the council tax leaflet text) for 2018-19 which will be issued to the 33 council tax billing authorities in London. The text provides an important opportunity for the Mayor and GLA to communicate with the occupiers of the estimated 3.5 million properties liable to council tax, its estimated 301,500 non domestic ratepayers (who may also receive this information at the discretion of their billing authorities) as well as Londoners more generally on the GLA Group's budget and priorities for the next financial year.
- 2.6 Depending on how each billing authority chooses to exercise their flexibilities under the 2012 Local Government Finance Act and the Council Tax (Administration and Enforcement) (Amendment) (No.2) (England) Regulations 2012 this supporting information will either be circulated to council taxpayers directly alongside their bills or made available on billing authority websites. Where the supporting information is only made available on billing authority websites then taxpayers should be provided with the web address as part of the billing information they receive. Council taxpayers may also request a hard copy of the supporting information be supplied to them by post by the billing authority if its general policy is to provide the information on their website only.
- 2.7 The long version represents the GLA's preferred text and the short version sets out a shorter summary text which billing authorities may, at their discretion, circulate instead as part of their billing material in order to reduce their administration costs including postage. Both versions comply with the requirements of the Council Tax (Demand Notices) (England) Regulations 2011 as amended. These regulations specify what information must be included in communications to council taxpayers from major precepting (i.e. the GLA in London), levying (i.e. the London Pensions Fund Authority, Environment Agency and Lee Valley Regional Park Authority in London) and billing authorities. Printing and billing deadlines mean that billing authorities require the leaflet information as soon as is practicable.
- 2.8 It is proposed to publish the consolidated budget for the year and the component budgets for each constituent body for the next financial year by:
- Placing the consolidated budget, the component budgets and the supporting explanation considered by the Assembly on 22 February 2018 on the GLA website;
  - Requesting the functional bodies place their budgets on their own websites; and



- Making copies available for inspection at City Hall.

### 3. Equality comments

- 3.1 Public authorities, such as the GLA (Mayor and Assembly) and the five functional bodies, must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation as well as to the need to advance equality of opportunity and foster good relations between people who share a relevant protected characteristic and those who do not, under section 149 of the Equality Act 2010. This involves having due regard to the need to remove or minimise any disadvantage suffered by those who share a relevant protected characteristic that is connected to that characteristic, taking steps to meet the different needs of such people; and encouraging them to participate in public life or in any other activity where their participation is disproportionately low.
- 3.2 The relevant protected characteristics under section 149 of the Equality Act are: age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, and sexual orientation. Compliance with the duty may involve treating people with a protected characteristic more favourably than those without the characteristic. The duty has applied to the formulation and approval of the GLA's and functional bodies' individual budgets and component council tax requirements, and the Mayor's final draft budget, approved without amendment. This decision form now implements the approval of the precept calculations and issue of the GLA precept to the 33 billing authorities. Part 3 to the final draft budget provided advice on the equalities implications of the Mayor's final draft budget.
- 3.3 Additionally, and complementarily, the Mayor is required by section 33(1) of the GLA Act to make appropriate arrangements with a view to securing that in the formulation and implementation of the Mayor's statutory strategies due regard is had to the principle that there should be equality of opportunity for all.
- 3.4 Compliance with the public sector equality duty is necessarily iterative and on-going. It includes carrying out a process at a level proportionate to the decision being taken to identify and actively consider potential detrimental impacts (if any) that may arise for individual protected groups and what mitigations (if any) could be implemented to address them. The GLA (Mayor and Assembly) and the functional bodies will continue to carry out this process in the implementation of their individual budgets, strategies, policies, programmes and projects.

### 4. Other considerations

- Links to Mayoral Strategies
- 4.1 There are no direct implications in relation to any GLA strategies arising from performing the precept calculations that are required to be made in accordance with the GLA Act and the Local Government Finance Act 1992, as amended. Where relevant these were addressed in the Mayor's draft and final draft budgets presented to the Assembly.
- Consultation arrangements
- 4.2 The Mayor issued guidance in June 2017 to the Greater London Authority and the functional bodies for preparing their budget submissions. The guidance sought to ensure that the Mayor's budget proposals were an accurate reflection of his priority aims and objectives within available resources.
- 4.3 The subsequent budget process itself involved:
- budget development by functional bodies and both parts of the GLA between June and November 2017;
  - budget submissions scrutinised and approved by the functional bodies before formal submission to the Mayor in November 2017;



- the Mayor's draft budget proposals considered, prepared and issued for consultation on 21 December 2017;
- consultation undertaken on that document between 21 December 2017 and 12 January 2018;
- scrutiny by the Assembly's Budget and Performance Committee throughout the process;
- the presentation of the Mayor's draft consolidated budget which was considered by the Assembly on 25 January 2018 and approved without amendment; and
- the presentation of the Mayor's final draft budget which was approved without amendment by the Assembly on 22 February 2018.

4.4 The precepts and council tax requirements recommended for approval in this Decision are identical to those approved without amendment by the Assembly on 22 February 2018.

#### Risks

4.5 The Mayor's precept and council tax requirement have been considered and approved in line with the requirements of the GLA Act. The precept will be collected and enforced by the 33 London billing authorities in line with established practice and having regard to relevant legislation.

4.6 On the basis of the Referendums Relating to Council Tax Increases (Principles) (England) Report 2018/2019, the council tax precept levels (on the basis of both the adjusted and unadjusted relevant basic amount of council tax) proposed by the Mayor in his final draft budget were also determined to be compliant with the excessiveness principles contained in that Report as they apply to the GLA. There will therefore be no requirement for a referendum to be held to approve the precept.

4.7 There are no further implications for risk management therefore as these have been addressed as part of the budgetary process.

## 5. Financial comments

5.1 There are no specific financial implications in addition to those already included in the final draft consolidated budget documentation. The calculations set out in this Decision have been made in compliance with sections 85 to 89 of the GLA Act. The Authority must now issue the proper notices to the 32 boroughs and the City of London to facilitate their own budget and council tax setting processes. The costs of billing and printing of supporting information (if applicable) are met by billing authorities - as this is a statutory function they are required to undertake.

## 6. Legal comments

6.1 This section deals with legal matters not mentioned elsewhere in this Decision. Under Schedule 6 to the GLA Act, which sets out the procedure for the setting of the GLA budget, the Mayor must present a draft consolidated budget to the Assembly. As noted above, this was considered by the London Assembly at its meeting on 25 January, and the Assembly approved the Draft Consolidated Budget without amendment.



- 6.2 As noted above, on 14 February the Mayor published his final draft budget, and after considering the Mayor's final draft budget and supporting material at its meeting on 22 February 2018, the final draft budget was deemed to be approved by the Assembly without amendment. In accordance with paragraph 8(6) of Schedule 6 to the GLA Act, that final draft consolidated budget becomes the GLA's consolidated budget for the next financial year.
- 6.3 Under paragraph 11 of Schedule 6 to the GLA Act, the Mayor must 'as soon as practicable' publish the GLA's consolidated budget for the year and the component budget for each constituent body for the year. This decision form constitutes approval for the publication of those budgets for this purpose. Copies of that consolidated budget document must also be made available for inspection by the public at the GLA's principal office. It is understood that the GLA intends to make the final budget available on its website.

## 7. Planned delivery approach and next steps

- 7.1 Following the approval of this Mayoral Decision the timeline set out below will be followed.

Activity	Timeline
Final precept notifications and supporting explanatory information will be circulated to all 33 London billing authorities	By 28 February 2018
Subject to the billing authorities' local policies the supporting explanatory information will either be circulated by them to council taxpayers directly alongside their bills or made available on billing authority websites. Where applicable taxpayers will be provided with the web address in their billing information.	March 2018

### Appendices and supporting papers:

Appendix A – GLA council tax requirement and precept calculations for 2018-19

Appendix B – Proposed explanatory communication to council taxpayers to be submitted to the 33 London billing authorities

#### Supporting Papers

The final draft consolidated budget for 2018-19 and Assembly decision in relation to this at its meeting on 22 February 2018

<http://www.london.gov.uk/about-us/greater-london-authority-gla/spending-money-wisely/mayors-budget>



## GLA council tax requirement and precept calculations for 2018-19

Line	Sum	Description
(1)	£865,678,414	the GLA's consolidated council tax requirement R – as specified in section 88 (2) of the GLA Act
(2)	£641,371,487	the special item (item A) – the Mayor's Office for Policing and Crime component council tax requirement for the Metropolitan Police District
(3)	£224,306,927	the amount shown in line (1) less the amount shown in line (2)
(4)	2,947,528.61	the Greater London Authority's council tax base (T) for the whole of its area (calculated in accordance with the Local Authorities (Calculation of Council Tax Base)(Amendment-Greater London Authority) Regulations 1999 (S.I. 1999/3437))
<b>(5)</b>	<b>£76.10</b>	<b>the Greater London Authority's basic amount of council tax, calculated in accordance with section 88 of the GLA Act (line (3) divided by line (4)): (also equivalent to the basic amount of council tax for the City of London)</b>
(6)	£641,371,487	the special item (item S2) – the MOPAC component council tax requirement – as set out in line (2) above
(7)	2,940,317.64	the Greater London Authority's council tax base (TP2) for the part of Greater London which consists of the Metropolitan police district (calculated in accordance with the Local Authorities (Calculation of Council Tax Base)(Amendment-Greater London Authority) Regulations 1999 S.I. 1999/3437))
<b>(8)</b>	<b>£218.13</b>	<b>the additional amount of council tax in respect of the special item for the Metropolitan Police District calculated in accordance with section 89 of the GLA Act (line (6) divided by line (7))</b>
<b>(9)</b>	<b>£294.23</b>	<b>the basic amount of council tax for the 32 London boroughs calculated in accordance with section 88(3) of the GLA Act (the amount shown in line (5) plus the amount shown in line (8))</b>

Lines 5, 8 and 9 are rounded to the nearest whole penny.



**Amounts of council tax for different valuation bands**

The amount of council tax (in £) for each category of dwellings shown in column 1 in Table A below (i.e. the property valuation band), is, for the 32 London boroughs, the amount shown in column 3 of Table A below. This is given by multiplying the amount at line (9) in the table above by the proportion shown in column 2 of Table A below. It is calculated in accordance with section 92 of the GLA Act 1999 ("the GLA Act"), and sections 5 and 47 of the Local Government Finance Act 1992 ("the 1992 Act") as amended by the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2011. These amounts must be stated on the precept to be issued to each London borough council in accordance with section 40(2)(a) of the 1992 Act as amended and section 83 of the GLA Act.

The amount of council tax for each category of dwellings shown in column 1 in Table A below is, for the City of London, the amount shown in column 4 of Table A below. This is given by multiplying the amount at line (5) above by the proportion shown in column 2 of Table A below. It is calculated in accordance with section 92 of the Act, and sections 5 and 47 of the 1992 Act, as amended. These amounts must be stated on the precept to be issued to the Common Council of the City of London in accordance with section 40(2)(a) of the 1992 Act, as amended and section 83 of the GLA Act.

The proportion in column 2 of Table A below is calculated by dividing the number set out in section 5(1) of the 1992 Act, as applicable to dwellings listed in the valuation band by the number applicable to dwellings listed in valuation band D, in accordance with section 5 of the 1992 Act as amended.

**TABLE A**

1	2	3	4
Valuation Band	Proportion by which basic amount must be multiplied under section 5 of the 1992 Act.	London borough councils: (the amount shown in line (9) in the table above multiplied by the proportion shown in column 2 of this table)	Common Council of the City of London: (the amount shown in line (5) in the table above multiplied by the proportion shown in column 2 of this table)
A	6/9	£196.15	£50.73
B	7/9	£228.85	£59.19
C	8/9	£261.54	£67.64
D	1	£294.23	£76.10
E	11/9	£359.61	£93.01
F	13/9	£425.00	£109.92
G	15/9	£490.38	£126.83
H	18/9	£588.46	£152.20



**Amount of the precept issues to each billing authority**

The amount to be stated on the precept to be issued to each billing authority in accordance with section 40(2)(b) of the 1992 Act, is stated in column 4 of Table B below. It is calculated in accordance with section 48 of the 1992 Act and section 93 of the GLA Act by multiplying the tax base shown in column 2 of Table B below by the amount shown in column 3 of Table B below.

**TABLE B.**

1	2	3	4
Billing Authority	Tax Base of the billing authority (Item T in section 33(1) of the 1992 Act)	Basic amount of council tax for the billing authority (Item C in section 48 of the 1992 Act) (£)	Amount to be shown on precept under section 40(2)(b) of the 1992 Act (£)
City of London	7,210.97	76.10	548,754.82
<i>Inner London Boroughs</i>			
Camden	89,000.00	294.23	26,186,470.00
Greenwich	80,180.58	294.23	23,591,532.05
Hackney	71,145.00	294.23	20,932,993.35
Hammersmith and Fulham	77,856.00	294.23	22,907,570.88
Islington	78,175.80	294.23	23,001,665.63
Kensington and Chelsea	96,336.00	294.23	28,344,941.28
Lambeth	107,712.00	294.23	31,692,101.76
Lewisham	86,456.60	294.23	25,438,125.42
Southwark	100,884.00	294.23	29,683,099.32
Tower Hamlets	95,095.00	294.23	27,979,801.85
Wandsworth	130,683.00	294.23	38,450,859.09
Westminster	128,833.30	294.23	37,906,621.86
<i>Outer London Boroughs</i>			
Barking and Dagenham	48,782.31	294.23	14,353,219.07
Barnet	141,918.00	294.23	41,756,533.14
Bexley	81,287.00	294.23	23,917,074.01
Brent	95,677.00	294.23	28,151,043.71
Bromley	130,004.00	294.23	38,251,076.92
Croydon	124,641.00	294.23	36,673,121.43
Ealing	113,076.94	294.23	33,270,628.06
Enfield	96,005.00	294.23	28,247,551.15
Haringey	77,093.00	294.23	22,683,073.39
Harrow	84,466.00	294.23	24,852,431.18
Havering	87,346.00	294.23	25,699,813.58
Hillingdon	99,070.00	294.23	29,149,366.10
Hounslow	82,848.01	294.23	24,376,369.98
Kingston upon Thames	62,327.00	294.23	18,338,473.21
Merton	74,124.00	294.23	21,809,504.52
Newham	75,488.00	294.23	22,210,834.24
Redbridge	87,484.00	294.23	25,740,417.32
Richmond upon Thames	88,770.00	294.23	26,118,797.10
Sutton	72,737.10	294.23	21,401,436.93
Waltham Forest	74,816.00	294.23	22,013,111.68
<b>TOTAL</b>			<b>865,678,414.03</b>



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

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

## GREATER LONDON AUTHORITY

### Introduction

This is Sadiq Khan's second budget as the Mayor of London. It is built around his vision of a London where nobody feels left behind and where everyone has the opportunities they need to fulfil their potential. It supports London's future growth and economic success, building on our City's thriving economy, extraordinary creativity, tolerance, diversity and openness to the world.

Sadiq Khan will not tolerate any waste of public money, particularly against a background of ever tightening resources from the Government. This year's budget has required some tough choices. It will improve the key services Londoners need. That means ensuring transport fares are more affordable and building more affordable homes. The budget also provides resources to support jobs and growth, tackle rough sleeping and make London a fairer and cleaner place to live. The Mayor will also provide extra resources from council tax and business rates for the Metropolitan Police and London Fire Brigade to keep Londoners safe. This will help offset the impact of continuing real terms cuts in government grant.

### Council tax for GLA services

The GLA's share of the council tax for a typical Band D property has been increased by £14.21 (or 27p per week) to £294.23. The additional income raised is being applied to fund the Metropolitan Police and London Fire Brigade. A Band D council taxpayer in the City of London, which has its own police force, will pay £76.10.

Council Tax (£)	2017-18	Change	2018-19
MOPAC (Metropolitan Police)	206.13	12.00	218.13
LFC (London Fire Brigade)	48.01	2.21	50.22
GLA	23.80	0.04	23.84
TfL (Transport)	2.08	-0.04	2.04
<b>Total</b>	<b>280.02</b>	<b>14.21</b>	<b>294.23</b>

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

The Mayor's budget includes significant efficiency savings across the GLA Group in 2018-19. This has allowed him to release resources to meet his key priorities. This includes plans to invest £3.15 billion to support 90,000 new affordable homes in the capital by 2021. He will also provide additional funding to support disadvantaged young Londoners and increase investment in green spaces, improving air quality and reducing the usage of single-use plastics.

The Mayor will also work with London's business community and key investors to ensure London's interests are protected. He will put Londoners' economic opportunities centre stage as the Government's negotiations to leave the European Union reach their conclusion. He will also provide funding for new projects to bring communities together, tackle social inequality and boost London's economy.

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

The Mayor's Police and Crime Plan – a Safer City for Londoners 2017-21 – sets out his strategy for policing over the next four years. His five key priorities are to improve the Metropolitan police service, provide a better criminal justice service in London, keep children and young people safe, tackle domestic violence which particularly affects women and girls and stand up against hate crime, intolerance and extremism.



The MPS has to rise to meet these challenges at a time of acute financial pressure. As a result of the reductions in Government grant for policing, in the past four years the MPS has had to close more than 100 police stations and remove 2,800 police staff and PCSOs roles in order to protect officer numbers.

To keep Londoners safe, the Mayor has decided to raise the police element of his council tax precept by £12 for a typical Band D property. This will help to keep officer numbers as high as possible within the resources the Mayor has at his disposal.

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

London's population is forecast to grow by one million in the next decade. TfL is investing to make the transport network more reliable and accessible. The Mayor's priorities for TfL in his current term include:

- making transport more affordable. Single bus fares, single pay as you go fares on the Tube and DLR and the charges for the Santander cycle hire scheme will be frozen until at least 2020. This will save travellers an estimated £40 million in 2018-19
- introducing a new Bus and Tram one-hour Hopper fare which is now in place and investing to improve journey times and reliability on the bus network
- working with London boroughs to maintain existing concessionary travel and assisted door to door transport schemes. This includes providing free 24-hour travel for the over 60s, the disabled, armed forces personnel in uniform and eligible war veterans and protecting the Taxicard and Dial a Ride schemes. Discounts on travelcards are also available for apprentices
- increasing capacity on the London Underground and rail services including his introduction of the Night Tube and Night Overground services
- extending the Barking Gospel Oak line to Barking Riverside and expanding the DLR and tram network
- planning for the Bakerloo line extension to south east London and new river crossings in east London
- completing the Elizabeth line (formerly Crossrail) by the end of 2019 which will increase London's rail capacity by ten per cent and continuing work on the Northern line extension to Nine Elms and Battersea Power station which is due to be completed in 2020
- developing Crossrail 2 and the Silvertown tunnel and working towards the release of more TfL land to provide new affordable workspaces and homes across London
- making public transport more accessible for everyone. Step-free access is planned to be introduced at five more London Underground stations in 2018-19 and funding has been secured for a further 13. All Elizabeth line stations will also be step free and
- investing a record £2.2 billion in street schemes and initiatives designed to make walking, cycling and public transport safer, cleaner and more appealing, including funding eight new Cycle Superhighways and transforming major transport junctions.

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

The Mayor aims to balance the London Fire Brigade's budget and improve its response times to ensure that the first and second fire engines attending an emergency incident arrive within six and eight minutes respectively. The LFC will also promote community safety and fire prevention and ensure that buildings in the capital conform to fire safety standards to protect both Londoners and visitors.

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

The LLDC was set up to ensure that the city benefits from a long-term legacy from the London 2012 Olympic and Paralympic Games. The Mayor's 2018-19 budget provides funding for the development of a world class cultural and education district in Queen Elizabeth Olympic Park. This is expected to create 3,000 new jobs, attract 1.5 million additional visitors and bring £2.8 billion of economic value to east London.

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

The OPDC will help create 65,000 new jobs and at least 24,000 new homes in west London over the next 20 years. It will build on the regeneration that the new High Speed 2 (HS2), Crossrail and Great Western Mainline stations at Old Oak Common will bring to the area



### Summary of GLA Group budget

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

How the GLA budget is funded (£ million)	2018-19
Gross expenditure	12,178.4
Government grants and retained business rates	-4,638.3
Fares, charges and other income	-6,163.9
Use of reserves	-510.5
<b>Amount met by council tax payers (£m)</b>	<b>865.7</b>

Changes in spending (£ million)	2018-19
2017-18 council tax requirement	804.8
Inflation	227.3
Efficiencies and other savings	-324.2
New initiatives	296.2
Other changes (for example fares revenue and government grants)	-138.4
<b>2018-19 council tax requirement</b>	<b>865.7</b>

### Detailed budget by service area

The table below compares the GLA Group's expenditure on policing, fire and other services (including transport) in 2018-19 with 2017-18.

The GLA's gross expenditure is higher this year. This is mainly due to the impact of additional investment planned by the Mayor in transport, policing and the fire service. Overall the council tax requirement has increased because of the extra funding for the Metropolitan Police and the London Fire Brigade. There has also been a 2.4 per cent increase in London's residential property taxbase. Find out more about our budget at: [www.london.gov.uk/budget](http://www.london.gov.uk/budget) (tel: 020 7983 4000).



Summary of Spending and Income (£million)	Police (MOPAC)		Fire (LFC)		Other Services (incl. GLA, TFL, LLDC and OPDC)		GLA Group Total	
	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
(figures may not sum exactly due to rounding)								
Gross expenditure	3,269.1	3,331.5	426.8	435.8	8,062.5	8,411.1	11,758.4	12,178.4
Government grants and business rates	-2,331.7	-2,397.3	-256.4	-250.9	-2,082.2	-1,990.2	-4,670.3	-4,638.3
Other income (incl. fares and charges)	-263.6	-263.8	-34.9	-36.9	-5,983.8	-5,863.3	-6,282.3	-6,163.9
<b>Net expenditure</b>	<b>673.8</b>	<b>670.4</b>	<b>135.5</b>	<b>148.0</b>	<b>-3.5</b>	<b>557.8</b>	<b>805.8</b>	<b>1,376.2</b>
Change to level of reserves	-81.8	-29.0	2.8	0.0	78.0	-481.5	-1.0	-510.5
<b>Council tax requirement (income)</b>	<b>592.0</b>	<b>641.4</b>	<b>138.2</b>	<b>148.0</b>	<b>74.6</b>	<b>76.3</b>	<b>804.8</b>	<b>865.7</b>



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

### Short Version

To be used – at their discretion – by billing authorities seeking to reduce the length and cost of producing their explanatory supporting text to council taxpayers on efficiency grounds.

## GREATER LONDON AUTHORITY

### Introduction

This is Sadiq Khan's second budget as the Mayor of London. It is built around his vision of a London where nobody feels left behind and where everyone has the opportunities they need to fulfil their potential. It supports London's future growth and economic success, building on our City's thriving economy, extraordinary creativity, tolerance, diversity and openness to the world.

Sadiq Khan will not tolerate any waste of public money, particularly against a background of ever tightening resources from the Government. This year's budget has required some tough choices. It will improve the key services Londoners need. That means ensuring transport fares are more affordable and building more affordable homes. The budget also provides resources to support jobs and growth, tackle rough sleeping and make London a fairer and cleaner place to live. The Mayor will also provide extra resources from council tax and business rates for the Metropolitan Police and London Fire Brigade to keep Londoners safe. This will help offset the impact of continuing real terms cuts in government grant.

### Council tax for GLA services

The GLA's share of the council tax for a typical Band D property has been increased by £14.21 (or 27p per week) to £294.23. The additional income raised is being applied to fund the Metropolitan Police and London Fire Brigade. A Band D council taxpayer in the City of London, which has its own police force, will pay £76.10.

Council Tax (£)	2017-18	Change	2018-19
MOPAC (Metropolitan Police)	206.13	12.00	218.13
LFC (London Fire Brigade)	48.01	2.21	50.22
GLA	23.80	0.04	23.84
TfL (Transport)	2.08	-0.04	2.04
<b>Total</b>	<b>280.02</b>	<b>14.21</b>	<b>294.23</b>

### Investing in frontline services

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

- making transport more affordable. Single bus fares, single pay as you go fares on the Tube and DLR and Santander cycle hire scheme charges will be frozen until at least 2020. This will save travellers around £40 million a year. A new bus and tram one hour Hopper fare has also been introduced
- continue to tackle London's housing crisis, using £3.15 billion of funding to support starts of 90,000 new affordable homes by 2021
- providing the best policing service possible within the funding made available by the Government which continues to fall in real terms year on year
- providing extra resources to support disadvantaged young Londoners and protect vulnerable children and women at risk of abuse and domestic violence
- providing sufficient resources to the London Fire Brigade ensure that first and second fire engines arrive at emergency incidents within six and eight minutes respectively



- working with London boroughs to maintain existing concessionary travel and assisted door to door transport schemes. This includes free 24 hour travel for the over 60s, the disabled, armed forces personnel in uniform and eligible war veterans and protecting the Taxicard and Dial a Ride schemes. Discounts on travelcards are also available for apprentices
- increasing capacity on the London Underground, commencing the operation of Elizabeth line (formerly Crossrail) through central London by the end of 2018 and his introduction of the Night Tube and Night Overground services
- making public transport more accessible for everyone. Step-free access is planned to be introduced at five more London Underground stations in 2018-19 and funding has been secured for a further 13. All Elizabeth line stations will also be step free and
- funding projects to bring Londoners together, promote arts and culture, help tackle inequality, improve the environment, and boost London's economy.

### Summary of GLA budget

The following tables compare the GLA group's spending for 2018-19 with last year and set out why it has changed. The GLA's gross expenditure is higher this year. This is mainly due to the impact of additional investment planned by the Mayor in transport, policing and the fire service. Overall the council tax requirement has increased because of the extra funding for the Metropolitan Police and the London Fire Brigade alongside. There has also been a 2.4 per cent increase in London's residential property taxbase. Find out more about our budget at: [www.london.gov.uk/budget](http://www.london.gov.uk/budget) (tel: 020 7983 4000).

<b>How the GLA budget is funded (£m)</b>	<b>2018-19</b>
Gross expenditure	12,178.4
Government grants and retained business rates	-4,638.3
Fares, charges and other income	-6,163.9
Use of reserves	-510.5
<b>Amount met by council tax payers (£m)</b>	<b>865.7</b>

<b>Changes in spending (£m)</b>	<b>2018-19</b>
2017-18 council tax requirement	804.8
Inflation	227.3
Efficiencies and other savings	-324.2
New initiatives	296.2
Other changes (for example fares revenue and government grants)	-138.4
<b>2018-19 council tax requirement</b>	<b>865.7</b>



**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

**Part 1 Deferral:**

**Is the publication of Part 1 of this approval to be deferred? No**

Until what date:

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Martin Mitchell, GLA Group Finance Manager has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

Martin Clarke, Executive Director Resources has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

**Mayoral Adviser:**

David Bellamy, Chief of Staff has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

The Finance and Legal teams have commented on this proposal. The proposal originates from Finance.

✓

**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on 19 February 2018

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**

*M. J. Clarke*

**Date**

*22.2.18*

**CHIEF OF STAFF:**

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

**Signature**

*D. Bellamy*

**Date**

*22/2/2018.*