

Report to the Assembly on the Mayor's Draft Consolidated Budget for 2015 – 2016

Report to: London Assembly

Date: 28 January 2015

Report of: Conservative Group

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Seconded by: Andrew Boff

PART A: INTRODUCTION & COMMENTARY¹

This is the Mayor's penultimate budget of his second term. Throughout this administration he has demonstrated a firm and consistent commitment to reducing the burden on the taxpayer by transforming the GLA Group into a leaner and more efficient body. This year's budget builds on the council tax precept reductions of previous budgets and outlines a 1.3 per cent reduction. This would ensure that the Mayor remains on course to fulfil his promise to reduce the overall council tax precept by 10 per cent over the course of his second term.

While we support this ambitious budget, our amendment proposes a numbers of small but highly significant deviations that would reduce the Mayor's call on council tax by 3.5 per cent instead – or £10.12 per Band D property. Such a reduction this year would mean that the Mayor could go beyond his commitment to reducing the precept by 10 per cent and reduce the burden on London taxpayers even further.

Our current proposals include:

1. £2.5m to be used to kick-start a London Self-Build Fund that would incentivise developers to build on infill sites and disused public sector land. This funding would help to build 100 units.
2. £1m for street markets pilot to improve these valuable community assets and boost local businesses. This funding will be added to the High Street Fund to bring the total up to £10m.
3. £1m to be used to fund switching off of traffic lights late at night. A pilot of 100 traffic lights to be financed with this.

¹ This report is made up of two Parts, A and B. The text in Part A does not form part of the formal budget amendments, which are set out in Part B.

4. £331k to fund the introduction of GPS Panic Buttons for frontline TfL workers. A thousand such devices could be purchased with this funding.

The above proposals and the recommended additional reduction of the council tax precept would be funded by doing the following:

- Scrapping nominee passes for all TfL employees. Conservative estimates suggest that this would increase fare revenue by £18.7m, which would like to see turned directly into savings.
- Slimming London TravelWatch to more respectable levels. This amendment suggests reducing the budget by £1m to £0.1m.
- Requesting the three boroughs in the new Old Oak MDC area to contribute collectively £1m to the seed funding of the new OPDC. The GLA would cover the rest of the funding.
- Cutting the budgets of the political groups in Assembly by 5 per cent. This would save at least £110k on current projections.

Core GLA – Mayor

	Mayor's Draft	Conservative Amendment
	£m	£m
Funding a pilot to use infill sites on public sector land for self-build developers	0.0	2.5
Reduction in GLA seed-funding for OPDC	1.2	-1.0
Increase in High Street Fund for the regeneration of street markets	9.0	1.0
Reallocation of Retained Business Rates from Transport for London	0.0	-2.5
Proposed 2015-16 council tax requirement	65.3	65.3

Throughout his mayoralty, the Mayor has regularly stated that jobs and growth are the top priority. Perhaps the biggest announcement of this year's budget is the establishment of a Mayoral Development Corporation (MDC) in Old Oak. The newly named, and Assembly approved, Old Oak and Park Royal Development Corporation (OPDC), will deliver a new HS2/Crossrail station, 24,000 homes, 55,000 jobs and a potential £15 billion contribution to the economy.

The Mayor has also ensured that more 100,000 apprenticeships have been created in London since the beginning of this Mayoral term, 170,000 since the beginning of the Mayor's campaign in 2010. Annual numbers have averaged over 40,000 (compared to less than 21,000 prior to the campaign).

Making better use of public sector land

This administration has indicated that it will make better use of public sector land for housebuilding, and we would want the Mayor's housing team to make better use of infill land. Infill development – or 'Hidden Homes', as many schemes have been called – is an approach that transforms empty or derelict spaces in and around housing estates into new homes. These can include areas such as old laundries, store sheds, garages, parking, space under existing residential blocks and boiler rooms. Developing these areas can often have the added benefit of improving the local environment as well as removing hotspots of crime and anti-social behaviour.

A report by GLA Conservative Steve O'Connell AM, *Gap in the Market: Building new homes in London on disused sites*, indicated that in London there are at least 4,552 disused spaces and sites across 13 boroughs. It has previously been estimated that, if the infill approach was replicated consistently across London to its full potential, between 10,000 and 15,000 new homes could be delivered. If the capacity set out above is any indication of the capacity across London, this estimate is certainly realistic and may even be much higher. Taking the lower figure of 10,000, this would translate to an average of just over 310 homes per borough, an aspiration that should be eminently achievable within the next ten years

The costs of delivering infill housing can vary widely, given the particular circumstances of different locations and the types of sites that may be converted. But there are examples of schemes that could be built for under £50,000 per unit.² We would like to see the creation of a London Self-Build Fund to promote building on infill sites. We would recommend an initial injection of £2.5m to kick-start this programme, funded out of the scrapping of TfL nominee passes (see later section). We would like this fund to be match-funded, with GLA paying one half and the remainder paid by the developer or by other public sector bodies looking to dispose of their unused land. At £50,000 per unit, a fund of this size could build 100 homes.

Rescuing our public sector street markets

The 2015-16 budget includes regeneration programmes totalling £169.7 million capital and £51.5 million revenue, such as that run by the business-led London Enterprise Panel (LEP) and the Mayor's Regeneration Fund (MRF). This come off the back of the Mayor's successful Outer London Fund and the recently announced High Street Fund, which combined total £50m worth of investment in London's high streets.

London's markets are a vital part of the capital's social, economic and cultural fabric. Well-known markets such as Borough, Covent Garden and Smithfield have been integral parts of their communities for centuries. But many of London's markets, especially those run and owned by the public sector, are in terminal economic decline.

A report by GLA Conservative Gareth Bacon AM, *Market Stalled: Ensuring that London's markets can survive and thrive*, found that if the current trend of market closure continues, it is highly possible that as

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many as one in five council-run markets in inner London could simply cease to exist within the next 18 years unless urgent action is taken. The report estimates that if these markets were instead to remain open, they could generate an additional £44m per annum for the Capital and £792m over the same time period. When taking into consideration the wider economic benefit to local businesses and communities, these markets could generate an additional £1.4bn for London by 2032 (assuming a multiplier effect of 1.75 as indicated by the GLA).

Because of this, we would want the GLA to adopt a 'Markets First' approach to high street regeneration. We would like a pilot of 5-8 markets across London to both enhance street markets and improve the surrounding areas. We would want an additional £1m added to High Street Fund (raising it to £10m) for this exact purpose. The multiplier would mean that this extra funding could generate up to £1.7 million for surrounding shops, cafes and pubs through increased footfall. This extra funding would be funded through a £1m reduction on the seed-funding the GLA will be providing towards the new OPDC. The shortfall would, under our plans, be supplied by equal contributions from the three London boroughs that are located in the MDC area: Hammersmith & Fulham, Brent and Ealing.

Core GLA – Assembly

	Mayor's Draft	Conservative Amendment
	£m	£m
A five per cent reduction in funding for political groups to protect frontline workers	2.2	-0.1
Reduction in funding for London TravelWatch to fund traffic lights pilot	1.1	-1.0
Proposed 2015-16 council tax requirement	2.6	1.5

The budget for the Assembly reflects its current staffing levels and group support. The Assembly's expenditure for 2015-16 is £7.5 million. The Assembly's council tax requirement will be £2.6 million in 2015/16. This is an increase of £0.1m on last year's call on the council tax precept. In a time when most GLA budgets are being squeezed, such an increase is an anomaly given the fiscal constraints most of the GLA Group is undergoing. We instead would like to see reduction in the Assembly's call on the council tax precept.

Firstly, we would want a 5 per cent reduction in funding for the political groups, in a time of fiscal constraint, such a plan seems reasonable. By our calculations this would save £110k from the Assembly budget, which we would like to see go towards the cost of providing GPS Panic Buttons to frontline TfL staff (see later section).

Alongside reduction in the budgets of the political groups, we would also like to see a significant reduction in the budget for London TravelWatch. This is an ineffective body that either replicates that work of the Assembly Transport Committee or mimics the work of Passenger Focus, the national passenger watchdog. As a result, it is a redundant organisation and its funding should be reduced and

reallocated towards more effective programmes. We would want £1m transferred from TravelWatch and used to fund a £1m traffic light pilot that assesses the feasibility of switching off traffic lights in the dead of the night (see later section).

Mayor's Office for Policing and Crime

	Mayor's Draft	Conservative Amendment
	£m	£m
Reduction in MPS's contribution to the costs of transport policing	0.0	-16.0
Proposed 2015-16 council tax requirement	564.2	548.2

The Mayor's Police and Crime Plan sets out the Mayor's strategy for tackling crime and making London safer over a four year period (2013-2017). The Plan includes the 20-20-20 targets to cut seven priority high impact neighbourhood crimes by 20 per cent; boost public confidence in the MPS by 20 per cent; while making 20 per cent savings in the MPS.

The Met performs well in very challenging circumstances, with recorded crime at a record low and public confidence at a high. Because of the tough fiscal environment that the Met operate within, we do not envisage any funding reduction beyond what the Mayor has already agreed. We would, however, want to see a reduction of £16.0m? from the MPS's contribution to the cost of transport policing. This additional funding will be used to fund a cut on MOPAC's call on the council tax precept.

London Fire and Emergency Planning Authority

LFEPA's key priorities are set out in the Fifth London Safety Plan (LSP5). It outlines a wide range of policies and measures which are intended to improve the safety of Londoners. The changes to fire stations and fire engines introduced in January 2014 by the Fifth London Safety Plan (LSP5) were achieved by maintaining the London-wide average response time for first and second fire engines within 6 and 8 minute targets.

With the implementation of LSP5, the Mayor has committed to provide funding to LFEPA to avoid the need for any further major frontline realignment over the lifetime of LSP5 from 2013-17. However, despite this support LFEPA has had to make additional savings and efficiencies in 2015-16 of £7.4 million and a further £3.2 million needs to be proposed to balance its budget in 2015-16. Further, additional savings and efficiencies will be required to be made in 2016-17. An update will be provided in the Mayor's final draft Budget once LFEPA meet on 29 January.

We are confident that the LFB will continue their stellar work and LFEPA will continue to perform well. As such, we do not wish for the LFEPA budget to be amended for this financial year.

Transport for London

	Mayor's Draft	Conservative Amendment
	£m	£m
Additional revenues from the scrapping of nominee passes	0.0	-18.7
Reallocation of Retained Business Rates to Core GLA - Mayor	0.0	2.5
Reduced income from Metropolitan police for transport policing	0.0	16.0
Funding for pilot project to examine feasibility of switching off traffic lights in the dead of night	0.0	1.0
Contribution towards the cost of GPS Panic Buttons	0.0	0.2
Proposed 2015-16 council tax requirement	6.0	7.0

In 2015-16 TfL's capital programme will be £110 million higher than last year. This allows better stations, more reliable services, and a new 24-hour weekend service on the Tube. Crossrail, the Northern Line extension and improved bus, Overground, Docklands Light Railway (DLR) and tram services are all going to be delivered. TfL are also delivering safer, more attractive cycling infrastructure, an unprecedented investment in roads (£4 billion over the next ten years), improved high streets and neighbourhoods and is tackling air pollution.

This year, the Mayor has continued to bear down on fares. Fares in 2015 will on average rise by inflation, rather than TfL's long-term assumption of RPI plus one per cent. Because of persistent campaigning by GLA Conservatives, a new pay-as-you-go cap for part-time workers has been announced. The new lower daily cap will benefit 200,000 users each day. A small minority of pay as you go (PAYG) users – under two per cent – will see price increases as a result of the withdrawal of the off-peak caps. However, TfL estimates that most of those affected will see increases of under £1. Only around 5,000 PAYG users will pay £2 or more extra for their day's travel.

GLA Conservatives have pushed hard over the last year for TfL to become more commercial, in particular to further expand the use of commercial sponsorship. With ever-decreasing Government revenues and continued pressure to bear down on fares, raising additional income will become increasingly important for TfL. We are pleased that the commercial development targets have been increased to £3.4bn and we will continue to make the case for additional improvements in this area.

Cutting nominee passes

Yet despite this good work, TfL still hangs on to a very generous perk that flies in the face of the current period of fiscal constraint – staff nominee travel pass. GLA Conservatives propose scrapping as we do not believe that friends, relatives or lodgers of TfL staff should be entitled to free travel. We recommend that the monies instead be used for more worthwhile programmes. Our initial calculations determined that a conservative estimate of the cost of these passes in terms of lost revenue was £17.8 million. Given that fares have, since our initial calculations, risen by 5.2 per cent, the new conservative estimate for this budget would be £18.7 million³.

We would like the additional revenue generated from scrapping these passes to fund GPS Panic Buttons for frontline TfL workers. Over the past three years, 7,435 TfL staff have suffered from threats, physical or verbal abuse. The most common reported incidents relate to revenue disputes, drunkenness, racial aggravation and service disruptions. In total, TfL estimates that the cost of violence in the workplace is £2.2m per year. Our research indicates that a trial of 1,000 Panic Buttons would cost £330k. So far, £133k has already been allocated towards this programme from political budgets, we would like the remaining £198k to be funded through the scrapping of nominee passes.

Alongside this, we would also like the £2.5m allocated towards a London Self-Build Fund detailed above to be funded through the scrapping of nominee passes. This would be administered through a reallocation of retained business rates to Core GLA – Mayor of the same amount.

We propose that the remaining £16m be used to fund a reduction in the council tax precept. By reducing the MPS's contribution to transport policing to TfL by this same amount, MPS can reduce its call on council tax by an equal amount.

Traffic lights pilot

A report by Richard Tracey AM, *Green Light: Turning off London's traffic lights at night*, estimated that London's road congestion costs the economy £4bn per year. In managing congestion, traffic lights have a vital role to play in regulating traffic flow. But London has seen rapid growth in the use of traffic lights over the last 10 years, from about 4,800 in 2000 to over 6,000 today.

Concerns have arisen that some signals are causing unnecessary delays for both road traffic and pedestrians. New technologies such as greener LED lights and SCOOT timing of lights have led to saving in disruption and operation costs, but it is highly questionable whether the vast increase that London has seen in traffic light numbers can be justified.

The Mayor was elected in May 2008 on a pledge to smooth traffic flow. In 2009, TfL identified around 140 traffic signals across London that may no longer fit for purpose. They found that in some cases, the

³ This figure was calculated using the total number nominee passes supplied by TfL in 2013 (21,788). According to latest Living Wage Foundation figures, the weekly cost of travel is £31.57, which across the year totals £35.8m. In our calculations, we make the conservative assumption that only half of these passes were utilised, which after rounding brings the total figures to £17.8m per year in lost revenues. As fares have risen 5.2% since then, the new total would be £18.7m. This final figure is probably higher as well given the fact that TfL staff headcount has risen by about a quarter over those last two years. But TfL has not supplied updated nominee pass figures.

use of signals creates financial disbenefits, and in certain circumstances the use of the lights only provided benefits during peak hours.

We would recommend, therefore, the TfL, where it is deemed safe, turn off London's traffic lights between midnight and 6am. With the £1m savings from the sliming of TravelWatch mentioned earlier, TfL should run a pilot traffic light study of 100 junctions to determine the feasibility of a London-wide roll-out. Switching off traffic lights in the very early hours would reduce vehicle emissions and save motorists money by reducing journey times at a time where there is little need for traffic control.

London Legacy Development Corporation

The London Legacy Development Corporation is driving the legacy of the London Olympic and Paralympic Games. The Queen Elizabeth Olympic Park is at the heart of a dynamic new east London where there will be more than 10,000 new households by 2030.

The Mayor's Budget provides the funding to progress the development of Olympicopolis, a new cultural quarter in the Queen Elizabeth Olympic Park. Olympicopolis is expected to deliver 3,000 new jobs, 1.5 million additional visitors and £2.8 billion of economic value to Stratford and the surrounding area. UCL will create a new university campus, its largest ever single expansion since the university was founded nearly 200 years ago and UAL will establish a new campus on Stratford Waterfront, bringing together London College of Fashion's 6,500 students and staff for the first time in the college's 100 year history. The Waterfront site will also house new locations for the V&A to create a new model for museums of the future and Sadler's Wells to create a new 600 seat auditorium.

All of this adds significantly to the legacy of the Olympics and Paralympics. We will continue to push for more family housing in the area and scrutinise the redevelopment of the Stadium, but for this amendment we do not require any reallocations of monies.

Summary of proposals – Budget requirements

Component council tax requirement	Mayor's proposals 2015/16	GLA Conservative's proposals 2015/16
Mayor of London	£65.3m	£65.3m
London Assembly	£2.65m	£1.5m
MOPAC	£564.2m	£548.2m
LFEPa	£138.2m	£138.2m
TfL	£6m	£7m
LLDC	£NIL	£NIL
Consolidated council tax requirement	£776.3m	£760.2m
Total Band D precept (£)	£295.00	£288.88

PART B: Proposal to approve, with amendments, the Draft Consolidated Budget for the 2015-16 financial year for the Greater London Authority and the Functional Bodies.

RECOMMENDATIONS:

FORMAL BUDGET AMENDMENT

1. The Mayor's draft consolidated budget (together with the component budgets comprised within it) for 2015-16 be amended by the sum(s) shown in column number 3 of the table for each constituent body, as set out and in accordance with the attached Schedule.

(These sums are the calculations under sections 85(4) to (8) of the Greater London Authority Act 1999 (as amended) ('The GLA Act') which give rise to each of the amounts mentioned in recommendations 2 and 3 below.)

2. The calculations referred to in recommendation 1 above, give rise to a component council tax requirement for 2015-16 for each constituent body as follows:

<i>Constituent body</i>	Component council tax requirement
Greater London Authority: Mayor of London	£65,347,412
Greater London Authority: London Assembly	£1,505,000
Mayor's Office for Policing and Crime	£548,166,354
London Fire and Emergency Planning Authority	£138,190,000
Transport for London	£7,000,000
London Legacy Development Corporation	£NIL

3. The component council tax requirements shown in recommendation 2 above, give rise to a consolidated council tax requirement for the Authority for 2015-16 (shown at Line 85 in the attached Schedule) of **£760,208,766**.

BUDGET RELATED MOTIONS

3. [WHERE APPLICABLE, INSERT ANY OTHER BUDGET RELATED MOTIONS REQUIRED]

NOTES:

Assembly's powers of budget amendment

- a. The Mayor is required to set a consolidated and component council tax requirement and it is this amount which the Assembly has the power to amend. The council tax requirement equates to the amount which will be allocated to the Mayor, the Assembly and for each functional body from the Mayor's council tax precept. These individual functional body requirements are consolidated to form the consolidated council tax requirement for the GLA Group.
- b. A simple majority of votes cast by Assembly Members is required to approve any amendment to recommendations (1) to (3) above concerning the Draft Consolidated Budget; abstentions are not counted.
- c. To approve the Draft Consolidated Budget, without amendment, only a simple majority of votes cast is required. Again, abstentions are not counted.
- d. Lines 4 (GLA Mayor), 18 (Assembly), 32 (MOPAC), 46 (LFEPA), 60 (TfL) and 74 (LLDC) within the expenditure estimates are used to allocate any revenue account deficit being met from reserves relating to a prior financial year. Under the Mayor's proposals the GLA (Mayoral) component budget (line 4) includes the GLA's share of the aggregate current forecast net collection fund deficit at 31 March 2015 in respect of retained business rates. This is nominally allocated to the GLA in line with accounting practice as the precepting authority but in principle the deficit can be attributed to any component budget. The forecast net collection fund surplus reported by billing authorities for council tax in respect of 2014-15 is treated as an income item (see section d below).
- e. The income estimates are calculated under section 85 5(a) of the GLA Act are presented in five parts within the statutory calculations:
 - Income not in respect of Government grant, retained business rates or council tax precept. This includes fare revenues, congestion charging income, the Crossrail Business rate supplement, the sums receivable in non domestic rates from London billing authorities required to meet the GLA's fixed tariff payment under rates retention and all other income not received from central government, through the council tax precept or for *retained* business rates. (line 6 for the Mayor, line 20 for the Assembly, line 34 for MOPAC, line 48 for LFEPA , line 62 for TfL, and line 76 for the LLDC);
 - Income in respect of specific and special government grants. This includes those grants which are not regarded as general grants. This includes the GLA Transport grant for TfL and specific grants for the GLA, LFEPA and MOPAC (line 7 for the Mayor, line 21 for the Assembly, line 35 for MOPAC, line 49 for LFEPA, line 63 for TfL, and line 77 for the LLDC);
 - Income in respect of general government grants. In 2015-16 this comprises Revenue Support Grant, the general element only of the GLA Transport Grant payable for the purposes of Transport for London and for - MOPAC only - core Home Office police and principal police formula grant (line 8 for the Mayor, line 22 for the Assembly, line 36 for MOPAC, line 50 for LFEPA, line 64 for TfL, and line 78 for the LLDC). Home Office policing and principal police formula grant reported on line 36 can only be applied to the MOPAC component budget;
 - Income in respect of retained business rates including estimated related section 31 grant income payable by the Secretary of State under the Local Government Act 2003 (line 9 for the Mayor, line 23 for the Assembly, line 37 for MOPAC, line 51 for LFEPA, line 65 for TfL, and line 79 for the LLDC). This excludes the sum receivable in non domestic rates required to meet the fixed tariff payment to central government which is treated as general income as above; and

- The GLA's estimated share of any aggregate forecast net collection fund surplus at 31 March 2015 reported by the 33 London billing authorities in respect of either council tax and/or retained business rates. This is nominally allocated to the GLA in line with accounting practice but in principle the surplus can be attributed to any component budget. For the draft budget this figure reflects the GLA forecast share of the forecast net collection fund surplus for 2014-15 in respect of council tax only as the retained business rates forecast is a deficit (line 10 for the Mayor, line 24 for the Assembly, line 38 for MOPAC, line 52 for LFEPA, line 66 for TfL, and line 80 for the LLDC).

- f. A subtotal for income items before the use of reserves (line 11 for the Mayor, line 25 for the Assembly, line 39 for MOPAC, line 53 for LFEPA, line 67 for TfL, and line 81 for the LLDC) is included in the proforma and must also be amended to reflect the sum of any amendments made to the income items listed in paragraph d above.
- g. The proposed use of reserves to meet expenditure is recorded in lines 12 (Mayor), 26 (Assembly), 40 (MOPAC), 54 (LFEPA), 68 (TfL) and 82 (LLDC). The overall income total including the use of reserves and the sum of the income items from paragraph e is recorded in lines 13 (Mayor), 27 (Assembly), 41 (MOPAC), 55 (LFEPA), 69 (TfL) and 83 (LLDC) – and again this must also be amended to reflect the sum of any amendments made to the income items described in paragraphs d and e above.

Council tax base and GLA Share of Billing Authority Collection Fund Surpluses or Deficits

- h. The council tax requirements are calculated using the 2014-15 approved council taxbases for the 33 London billing authorities – 2,636,089 Band D equivalent properties for non police services and 2,629,901 for police services (i.e. excluding the taxbase for the City of London). The Mayor's final draft budget will incorporate the effect of the approved billing authority council taxbases and the GLA's forecast share of retained business rates income for 2015-16 alongside the forecast collection fund surpluses or deficits in respect of retained business rates and council tax for 2014-15 which are recoverable in 2015-16 through an adjustment to the instalments payable to the GLA by billing authorities.

Compliance with Council Tax "Excessiveness Principles" Set by the Secretary of State

- i. A Band D council tax for non police services in the City of London (the unadjusted basic amount of council tax applying in the City) which exceeds £86.16 and/ or a total council tax elsewhere (the adjusted basic amount applying in the 32 London boroughs) which exceeds £304.97 would be regarded as "excessive" under the principles announced by the Secretary of State and approved by Parliament. This is because a higher Band D amount in either case will result in an increase at or above the 2% threshold proposed by the Secretary of State, in which case the increase is regarded "excessive," thereby triggering (in either or both cases as applicable) the requirement to hold a council tax referendum of local government electors across the whole of Greater London. The final excessiveness principles are subject to approval by Parliament.
- j. Assembly Groups should therefore seek advice should they wish to propose amendments which have the effect of increasing the precept compared to the figures proposed by the Mayor of £80.48 (the unadjusted amount of council tax in the City) and £295.00 (the adjusted amount in the 32 boroughs) as it is possible that the amendment could breach the excessiveness principles both on the percentage increase and on the apportionment of any additional council tax precept income between police and non police services. If the amendment is likely to result in a council tax regarded as excessive under these principles it should state within the supporting text that this is the case.
- k. If an amendment resulting in an "excessive" council tax is passed at the final draft budget meeting, the Assembly is also required to approve an alternative "default" budget that is compliant with the excessiveness principles and which would become the budget should any resulting referendum not be passed – in effect one consistent with an unadjusted council tax of £86.16 (in the area of the Common Council of the City of London) and/or an adjusted council tax of £304.97 (in the 32 London Boroughs) depending on which (or both) is/are "excessive". Part 3 of the Mayor's draft budget provides advice to Assembly members on Council tax referendum issues.

Old Oak Common and Park Royal Development Corporation

- I Legislation to set up the Old Oak Common and Park Royal Development Corporation (OPDC) is expected to be laid before Parliament in early 2015 and the corporation is expected to come into existence on 1 April 2015 as a Mayoral Development Corporation and a functional body. However as the OPDC is not constituted at the date the budget is being set the OPDC is not regarded a constituent body for the purposes of sections 85 to 99 of the Act. The funding allocated to the proposed OPDC in respect of 2015-16 therefore forms part of the GLA (Mayor) component budget.

SCHEDULE

Part 1: Greater London Authority: Mayor of London ("Mayor") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's Proposal	Budget amendment	Description
1	£704,700,000	£707,200,000	estimated expenditure of the Mayor for the year calculated in accordance with s85(4)(a) of the GLA Act
2	£4,800,000	£	estimated allowance for contingencies for the Mayor under s85(4)(b) of the GLA Act
3	£0	£	estimated reserves to be raised for meeting future expenditure of the Mayor under s85(4)(c) of the GLA Act
4	£40,220,481	£	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	£749,720,481	£752,220,481	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	-£479,600,000	-£	estimate of the Mayor's income <u>not</u> in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
7	-£14,500,000	-£	estimate of the Mayor's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
8	-£41,733,950	-£	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	-£76,579,119	-£79,079,119	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	-£5,600,000	-£	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	-£618,013,069	-£620,513,069	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	-£66,360,000		estimate of Mayor's reserves to be used in meeting amounts in line 5 above under s85(5)(b) of the GLA Act
13	-£684,373,069	-£686,873,069	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	£65,347,412	£	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 2015-16 (line 14 col 3) is £65,347,412

Part 2: Greater London Authority: London Assembly ("Assembly") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's proposal	Budget amendment	Description
15	£7,610,000	£6,500,000	estimated expenditure of the Assembly for the year calculated in accordance with s85(4)(a) of the GLA Act
16	£0	£	estimated allowance for contingencies for the Assembly under s85(4)(b) of the GLA Act
17	£0	£	estimated reserves to be raised for meeting future expenditure of the Assembly under s85(4)(c) of the GLA Act
18	£0	£	estimate of reserves to meet a revenue account deficit of the Assembly under s85(4)(d) of the GLA Act
19	£7,610,000	£6,500,000	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	-£400,000	-£	estimate of the Assembly's income <u>not</u> 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	-£2,541,000	-£	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	-£2,054,000	-£	estimate of the Assembly's income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
24	£0	-£	estimate of the Assembly's share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
25	-£4,995,000	-£	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (line (20) + (21) + (22) + (23) + (24))
26	£0	-£	estimate of Assembly's reserves to be used in meeting amounts in lines 19 above under s85(5)(b) of the GLA Act
27	-£4,995,000	-£	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for the Assembly (lines (25) + (26) above)
28	£2,615,000	£1,505,000	the component council tax requirement for the Assembly (being the amount by which the aggregate at (19) above exceeds the aggregate at (27) above calculated in accordance with section 85(6) of the GLA Act)

The draft component council tax requirement for the Assembly for 2015-16 (line 28 col 3) is £: 1,505,000

Part 3: Mayor's Office for Policing and Crime ("MOPAC") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's proposal	Budget amendment	Description
29	£3,159,766,354	£3,143,766,354	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	£3,159,766,354	£3,143,766,354	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	-£261,900,000	-£	estimate of the MOPAC's income <u>not</u> in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
35	-£483,400,000	-£	estimate of the MOPAC's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
36	-£1,794,200,000	-£	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	£0	-£	estimate of the MOPAC's income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
38	£0	-£	estimate of MOPAC's share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
39	-£2,539,500,000	-£	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (34) + (35) + (36) + (37) +(38))
40	-£56,100,000	-£	estimate of MOPAC's reserves to be used in meeting amounts in line 33 above under s85(5)(b) of the GLA Act
41	-£2,595,600,000	-£	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	£564,166,354	£548,166,354	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 2015-16 (line 42 col 3) is: £548,166,354

Part 4: London Fire and Emergency Planning Authority ("LFEPA") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's Proposal	Budget amendment	Description
43	£423,651,726		£ estimated expenditure of LFEPA for the year calculated in accordance with s85(4)(a) of the GLA Act
44	£0		£ estimated allowance for contingencies for LFEPA under s85(4)(b) of the GLA Act
45	£0		£ estimated reserves to be raised for meeting future expenditure of LFEPA under s85(4)(c) of the GLA Act
46	£0		£ estimate of reserves to meet a revenue account deficit of LFEPA under s85(4)(d) of the GLA Act
47	£423,651,726		£ aggregate of the amounts for the items set out in s85(4) of the GLA Act for LFEPA (lines (43) + (44) + (45) + (46) above)
48	-£32,150,000		-£ estimate of LFEPA's income <u>not</u> in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
49	-£9,100,000		-£ estimate of LFEPA's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
50	-£129,420,000		-£ estimate of LFEPA's income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
51	-£114,741,726		-£ estimate of LFEPA's income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
52	£0		-£ estimate of LFEPA's share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
53	-£285,411,726		-£ 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	-£50,000		-£ estimate of LFEPA's reserves to be used in meeting amounts in line 47 above under s85(5)(b) of the GLA Act
55	-£285,461,726		-£ aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LFEPA (lines (53) + (54) above)
56	£138,190,000		£ the component council tax requirement for LFEPA (being the amount by which the aggregate at (47) above exceeds the aggregate at (55) above calculated in accordance with section 85(6) of the GLA Act)

**The draft component council tax requirement for LFEPA for 2015-16 (line 56 col 3) is:
£138,190,000**

Part 5: Transport for London ("TfL") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's proposal	Budget amendment	Description
57	£7,066,100,000	£7,067,298,000	estimated expenditure of TfL for the year calculated in accordance with s85(4)(a) of the GLA Act
58	£0	£	estimated allowance for contingencies for TfL under s85(4)(b) of the GLA Act
59	£0	£	estimated reserves to be raised for meeting future expenditure of TfL under s85(4)(c) of the GLA Act
60	£0	£	estimate of reserves to meet a revenue account deficit of TfL under s85(4)(d) of the GLA Act
61	£7,066,100,000	£7,067,298,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the TfL (lines (57) + (58) + (59) + (60) above)
62	-£5,508,381,533	-£5,511,079,533	estimate of TfL's income <u>not</u> in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
63	-£29,200,000	-£	estimate of TfL's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
64	-£675,000,000	-£	estimate of TfL's income in respect of general government grants (revenue support grant and the GLA Transport General Grant) calculated in accordance with s85(5)(a) of the GLA Act
65	-£847,518,467	-£845,018,467	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	00	-£	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	-£7,060,100,000	-£7,060,298,000	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	-£7,060,100,000	-£7,060,298,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act (lines (67) + (68))
70	£6,000,000	£7,000,000	the component council tax requirement for TfL (being the amount by which the aggregate at (61) above exceeds the aggregate at (69) above calculated in accordance with section 85(6) of the GLA Act)

The draft component council tax requirement for TfL for 2015-16 (line 70 col 3) is: £7,000,000

Part 6: London Legacy Development Corporation ("LLDC") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's proposal	Budget amendment	Description
71	£37,300,000		£ 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	£37,300,000		£ 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	-£26,800,000		-£ estimate of LLDC's income <u>not</u> 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	£0		-£ 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	£26,800,000		-£ 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	-£10,500,000		-£ estimate of LLDC's reserves to be used in meeting amounts in line 75 above under s85(5)(b) of the GLA Act
83	-£37,300,000		-£ 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 LLDC for 2015-16 (line 84 col 3) is: £ NIL

Part 7: The Greater London Authority ("GLA") draft consolidated council tax requirement calculations

NOTE: Amendments to the draft consolidated council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's proposal	Budget amendment	Description
85	£776,318,766	£760,208,766	the GLA's consolidated council tax requirement (the sum of the amounts in lines (14) + (28) + (42) + (56) + (70) + (84) calculated in accordance with section 85(8) of the GLA Act)

The draft consolidated council tax requirement for 2015-16 (line 85 col 3) is: £760,208,766