

Mayor's Background Statement in support of his Final Draft Consolidated Budget for 2012-13

PART 1

Summary

This report presents the Mayor's Final Draft Budget proposals for the Greater London Authority (GLA) and its functional bodies for the next financial year. This is the Final Draft Budget and it will be the Budget unless the Assembly amends it in accordance with the provisions of the GLA Act before 29 February.

1 Introduction

- 1.1 On 25 January the Assembly considered the Mayor's draft consolidated budget and did not make any amendments to it as defined in the Greater London Authority Act ('The Act'). The process of approval of the final draft budget is set out in Schedule 6 of the Act, as follows:
- (a) After considering the final draft budget, the Assembly must approve it with or without amendment. The only amendments which are to be made are those agreed to by at least two-thirds of the Assembly Members voting;
 - (b) If no amendments are made following consideration of the Final Draft Budget, it shall be deemed to be approved without amendment;
 - (c) The Final Draft Budget as approved by the Assembly with or without amendment shall be the Authority's Consolidated Budget for 2012-13; and
 - (d) It shall be the duty of the Assembly to approve the Final Draft Budget with or without amendment before 29 February 2012. If the Assembly fails to meet this deadline, the Final Draft Budget shall be the Authority's Consolidated Budget for 2012-13.
- 1.2 Annex A to this statement presents the Mayor's final draft consolidated budget as defined in the Act. Separate accompanying documents provide an explanation of the budget proposals, and finance and legal advice. These are similar to those provided for the Draft Consolidated Budget, except for changes made to reflect the changes to the Mayor's taxation and spending proposals described in this statement, updated information in respect of grants and council tax matters, and consequential drafting and the correction of typographical mistakes.

2 Final Draft Budget Proposals

2.1 The Mayor has given careful consideration to the debate on his Draft Consolidated Budget at the 25 January Assembly meeting. Although the Assembly did not pass any budget amendment to the proposed budget, it did pass a budget related motion calling for a revised budget that:

- Puts more money and police numbers into borough and safer neighbourhood policing and saves money in setting up the MOPC;
- Provides a higher level of continuous sustained investment for measures to address London's environmental challenges, including air pollution and energy efficiency and be clear about where funding is coming from to meet the Mayor's stated targets;
- Reduces the impact of his fares package; and
- Sets out how the new combined housing and regeneration function at City Hall will effectively tackle rising unemployment and continued housing shortages.

2.2 The Mayor's response is set out in the sections below.

3 Overview

3.1 Against a background of severe public expenditure constraint, the Mayor has been successful in negotiating good settlements for the GLA and its functional bodies. These are reflected in the increase in the year-on-year revenue and capital expenditure in the GLA Group show below.

Total Gross Revenue and Capital Expenditure	2011-12 £m	2012-13 £m	Increase £m	Increase %
Revenue : GLA	257	393	136	52.9
: MOPC	3,572	3,566	-6	-0.2
: LFEPA	460	448	-12	-2.6
: TfL	8,595	10,040	1,445	16.8
: LDA	217	N/A	-217	N/A
: OPLC	N/A	26	26	N/A
Total Revenue	13,101	14,474	1,373	10.5
Capital : GLA *	875	1,621	748	85.5
: MOPC	177	171	-6	-3.4
: LFEPA	13	12	-1	-7.7
: TfL *	2,822	3,209	387	13.7
: LDA	317	N/A	-317	N/A
: OPLC	N/A	161	161	N/A
Total Capital	4,204	5,168	964	22.9
GRAND TOTAL REVENUE & CAPITAL	17,305	19,642	2,337	13.5

* GLA expenditure includes contributions to TfL for Crossrail of £872m in 2011-12 and £819m in 2012-13.

- 3.2 Overall the GLA Group's revenue and capital expenditure is set to increase by 13.5 per cent in 2012-13. As called for in the Assembly's Budget motion, this reflects the investment in London being planned by the Mayor to address key London priorities including policing, affordable public transport, jobs, housing and the environment.
- 3.3 At the same time, the Mayor has been relentless in ensuring that the GLA Group delivers value for money. Over the life of his administration, and after allowing for LDA savings arising from its abolition, the GLA Group will deliver savings of some £3.5bn. The delivery of these savings and efficiencies has meant that the Mayor has been able to improve and invest in services to Londoners whilst freezing the GLA's Council Tax Precept for the first three years of his administration. This prudent management of the GLA's finances also allows the Mayor to make a proposal to reduce the Council Tax Precept in 2012-13.

4 GLA Activities over the Spending Review Period

- 4.1 The Localism Act 2011, which received Royal Assent in November 2011, transfers the Homes and Community Agency's (HCA) London operations and London Development Agency (LDA) functions to the GLA from a date to be appointed but which is expected to be in April 2012. Olympic legacy responsibilities are expected to pass to a new functional body of the GLA from the same date – a Mayoral development corporation (MDC). The London Thames Gateway Development Corporation's (LTGDC) land and assets are also being transferred to the GLA and the MDC from April 2012. The land assets the GLA will be receiving from HCA, LDA, OPLC and LTGDC have a combined book value of £0.5 billion.
- 4.2 In addition, the Mayor has recently agreed the outcomes arising from a GLA project prioritisation process for the current Spending Review period. This has resulted in marginal increase in the Mayor's component council tax requirement after taking account of the GLA share of the collection fund surplus for the 33 London billing authorities and an increase in the GLA's council tax base. The key outcomes are given below, following a statement of the latest position on GLA staffing efficiencies. It is also worth noting that the GLA, through its leverage, will have access to additional funds in excess of £450m including £185m held in the London Green Fund established by the LDA and £183m in business rate growth from the Royal Docks.

GLA Staffing Efficiencies

- 4.3 The Mayor has worked with the Government on a devolution settlement for the GLA that creates a more efficient and effective London government. The Localism Act devolves HCA London and LDA functions to the GLA so that they are under the direct democratic control of the Mayor and can be integrated with existing GLA functions. The staffing position, comparing 2008 with the present, is:
- In 2008 the GLA had 795 posts and now has 700 posts on a like-for-like basis (i.e. excluding those posts solely set up for period of the Olympics), a saving of 95 posts;
 - In 2008 the LDA had just over 500 posts and around 100 posts are transferring to the GLA, a saving of 400 posts; and

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- In 2008 HCA London had 80 posts and 45 posts are transferring to the GLA, a saving of 35 posts.

4.4 So, in total the GLA, LDA and HCA London have moved from 1,375 posts in 2008 to 845 posts now, a saving of 530 posts which is equivalent to an annual saving of approximately £30 million a year on staff costs. It should also be borne in mind that, post-Olympics, the GLA staffing establishment will have increased by only 50 posts since 2008 (from 795 to 845) but its budget will have increased fourfold.

Housing

4.5 As a result of this new devolution settlement, the GLA will assume considerable new responsibilities for the delivery of publicly funded housing programmes in London in addition to its existing strategic responsibilities. It will receive all the HCA's land and property assets in London, which together with the LDA's portfolio of regeneration assets already under the Mayor's control, and with those of the LTGDC, provides an important platform for accelerating home building and regeneration.

4.6 Over the next three years, the Mayor is planning to invest £1.9bn to support the delivery of 55,000 new affordable homes (in addition to the 55,000 delivered over the past three years) and to tackle wider housing shortages. These programmes will help create 100,000 construction jobs. The Mayor will take forward the accelerated development of housing provision on the Greenwich Peninsula, and, through the MDC, the planning and procurement of housing on the Olympic Park. He will support boroughs to improve a further 45,000 local authority homes to the Decent Homes standard.

4.7 The Mayor will continue to tackle rough sleeping and homelessness, investing £21m over the next three years, including through employability programmes.

Regeneration and economic growth

4.8 The Mayor is committing substantial resources over the next three years to help areas and people affected by the riots and also those outer London centres and high streets suffering hardest from the economic downturn.

4.9 By working closely with the boroughs and other external organisations, the Mayor will use his Regeneration and Outer London funds to leverage funding in excess of £57m and provide more than £180 million to deliver new infrastructure, jobs and opportunities across the capital, supporting growth and a revitalised local economy. Twenty-two boroughs are already set to benefit from this new investment.

4.10 The Mayor is putting in place a new London Enterprise Panel (LEP) to promote growth and drive job creation across London. The LEP will have £41m for this purpose from the Growing Places Fund, subject to a final announcement from Government. In due course it will also advise on the use of the business rate uplift from the new Royal Docks Enterprise Zone.

- 4.11 Crystal Palace will benefit from further additional resources (with a total allocation of £4.5m next financial year). The GLA will be working with partners on securing its long-term regeneration for the community and the area.

Olympic Park Regeneration and sporting legacy

- 4.12 The Mayor is determined that London benefits from a lasting legacy from the Olympic and Paralympic Games. As part of this, he is setting up a dedicated Mayoral Development Corporation through which he will invest £528m over the next three years to transform the Olympic Park and surrounding area. This includes plans for 7,000 homes with supporting social infrastructure such as schools and medical facilities, alongside public realm and development projects in the wider area and site-wide infrastructure including transport and walkways as well as maintaining the Park itself and securing a sustainable future for the permanent Olympic venues.
- 4.13 This budget also allocates £6.4m in 2012-13 on securing London's sporting legacy. While this will be the final tranche of the £15.5m investment from GLA (which leveraged another £15m from external organisations), a second tranche will start in 2013-14 to ensure that London does not lose its momentum from the Olympic and Paralympic Games (investing £7m of additional GLA funds in 2013-14 and 2014-15).
- 4.14 In 2012-13 £6.8m is allocated for three major projects aimed at capturing the greatest possible employment and skills benefits of the Games. These projects give workless people from all over London, and particularly east London where unemployment is especially high, the skills and support they need to take advantage of jobs on the Games themselves, and of opportunities that will lead to sustained employment after 2012, including in and around the Olympic Park.

Environment and climate change

- 4.15 The LDA has set up the Green Fund which makes available up to £185m for GLA energy and waste initiatives. The Fund comprises £32m of LDA investment, £18m of LWaRB investment and £50m of ERDF investment as match funding, along with £85m of private sector investment. Many GLA environmental projects – such as RE:FIT (retrofit of commercial and public buildings) – are eligible to bid for funding. As the Fund is the beneficiary of ERDF financial support, most housing related projects – including RE:NEW (retrofit of homes) – fall outside its scope.
- 4.16 As a result, the Mayor has guaranteed funding from other sources for the home retrofit programme so that it can continue. Whatever funding is available from the Government will be supplemented by funding from the London Decent Homes programme, which forms part of the funding being devolved from the HCA to the GLA, so that the Retrofit programme is fully funded.

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- 4.17 In terms of the Mayor's home retrofit target, the RE:NEW homes energy efficiency programme will treat 55,000 homes by March 2012 and the new tranche of activity is currently planned to deliver in excess of 20,000 additional homes. The Mayor's wider ambition to retrofit 200,000 homes is dependent on a supportive Government framework and the wider market adopting the cost-effective RE:NEW model. The GLA is in discussion with Government to ensure that the future Green Deal framework allows for this ambition to be achieved in London.
- 4.18 While the Food programme was time-limited and scheduled to end this year, investment in this area will continue through a London-wide budget of £1.4m over the next three years supplemented by £3.2m funded via the Outer London Fund (OLF) and the Mayor's Regeneration Fund (MRF). The programme will focus on food training and apprenticeship.
- 4.19 At the same time, the Mayor will also continue to address key priorities on quality of life, including the provision of green and better public spaces. This budget includes an investment of £6m over the next three years to improve London's parks, to plant new trees and to take forward the Mayor's Great Outdoors programme. This investment will complement the budget of £63m TfL has set aside for its public spaces initiatives over this spending review period to March 2015.
- 4.20 Building on the success of the Clean Air Fund (which sought to reduce PM10 concentrations at central London priority locations) the Mayor is committed to delivering further air quality improvements through targeted measures at a wider number of air quality hotspots. These measures will be focused on both NO₂ and PM10. £10m has already been secured from the Department for Transport (DfT) and Transport for London (TfL) to deliver reduced NO_x emissions from the bus fleet at these key locations.
- 4.21 Discussions are ongoing with the Department for Environment, Food and Rural Affairs (DEFRA), DfT, London boroughs and other stakeholders to explore further opportunities for joint working. An additional £0.2m will enable the GLA to lead this programme, and to deliver trials of innovative photocatalytic surfaces, further green infrastructure, DIY streets and targeted community and business engagement.
- 4.22 In addition, the general environment programme budget is being increased from £0.6m to £1m to be used as leverage for European funds, or other external schemes, and to respond flexibly to the challenges arising.

Skills, Youth Opportunities and Health

- 4.23 Youth unemployment continues to be a key concern and action in this area is a top Mayoral priority. The GLA is focusing resources and efforts on building up its apprenticeships programme, beyond the Mayor's original target of 40,000. The budget gives the means to deliver the Mayor's new target of 100,000 by the end of 2012-13.
- 4.24 Some spending areas decrease, reflecting changes in national policy and a nationalisation of some delivery services, as is the case for business support and adult skills. The creation

of the Mayor's Office for Policing and Crime (MOPC) also means some activities in the youth budget have transferred over to that body.

- 4.25 The impact of the economic downturn on young people reinforces the Mayor's determination to redouble efforts to support employability and opportunities through his budget. Youth projects will aim to address these issues, from the support to the Mayor's Academies (£1.2m over the next three years), a new supplementary schools project (£1.6m to be supplemented by £0.4m leverage over the next three years), Team London and a number of projects delivered within the OLF. The recently announced £1.3m uniformed groups' project will supplement the work already taking place on mentoring and volunteering.
- 4.26 The GLA will also be delivering a new £10m ESF programme to support youth employment and skills. This will focus on young people not in employment, giving them the training and support they need to access jobs and remain in work.
- 4.27 The London Health Improvement Board has already started to operate in shadow form (pending legislation) and the NHS has allocated a budget of £2m for 2012-13. Further public health funding will be available for 2013-14 and beyond.

5 Final Details of Functional Bodies Budgets

- 5.1 Set out below is a summary of issues arising in final proposed budgets for the MOPC, LFEPA and TfL.

MOPC

- 5.2 The Mayor's first priority is to keep Londoners safe. There has been an overall reduction in crime over this Mayoral term of over 10 per cent. Youth violence is down 15 per cent and robberies down almost 17 per cent. This Budget continues to protect frontline policing, with the Mayor remaining committed to maintaining police officer numbers at or around existing levels. At the end of this Mayoral term there will be nearly 1,000 more officers than at the beginning of the term.
- 5.3 The Commissioner is focusing on crime prevention, on targeting offenders, on supporting victims and on building on the support and trust of law abiding Londoners. The MPS will mobilise the UK's largest ever peacetime safety and security operation to deliver a successful Olympic and Paralympic Games in 2012. Londoners Safer Neighbourhood Teams will all retain their structure of two PCs and at least three PCSOs, managed by a sergeant.
- 5.4 Within the Mayor's Draft Budget there was a budget gap of £85.5m. Following a successful negotiation with the Government for additional grant funding to help maintain resilience during a period of unprecedented operational challenge for the Metropolitan Police during the coming year, this gap has been eliminated. Work will continue at the MOPC to develop further savings options and to respond to the financial pressures for 2013-14 and 2014-15.

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- 5.5 In terms of its own operating budget, the Mayor expects the MOPC to maximise its efficiency and effectiveness by making a full contribution to the GLA Group shared services agenda. Specifically, the MOPC has agreed to take forward its Communications, IT, HR and Facilities Management functions on a shared service basis.

LFEPA

- 5.6 There are no changes to the LFEPA component budget. The final budget confirms the use of £30m of LFEPA balances in 2012-13. It continues to ensure that LFEPA is able to continue to deliver the Authority's priorities in its Safety. However, as a result of an increase in the council tax base the level of savings required in future years has reduced marginally.

TfL

- 5.7 The Mayor has carefully balanced the fares decision alongside other financial decisions in TfL's budget. As reported in the Draft Budget, fares are being held down as much as possible while maintaining neo-Victorian levels of investment in our transport infrastructure, so that the capital can emerge from the current economic difficulties more competitive than ever.
- 5.8 This investment is essential. By 2014-15, London Underground is expected to carry around 110 million more passengers a year than at present, while reducing delays on the network by 18 per cent; London Rail will carry around 38 million more passengers a year compared to current levels (an increase of around 17 per cent); and the bus network is expected to carry around 52 million more passengers than the current levels. This is alongside supporting 500,000 cycling journeys and six million walking trips taking place each day and carrying 30 per cent of London's road traffic on the TfL road network. At its peak the £10 billion TfL investment programme will support 32,000 jobs.
- 5.9 The Mayor is continuing to guarantee free bus travel for under 16s and half price bus travel for the unemployed, Employment & Support Allowance claimants and those on income support. In partnership with the London Boroughs, all existing free and concessionary travel schemes, including the 24 hour Freedom Pass for older and disabled Londoners have been protected. The continuation of these schemes will ensure that 40 per cent of bus passengers will travel for free or at a substantial concessionary rate.

6 A reduced level of Council Tax

- 6.1 In the light of the substantial efficiencies achieved over the Mayoral term and funding settlements provided by Government, the Mayor is now proposing to reduce the GLA Council Tax Precept in 2012-13 by one per cent. This reduces the Band D Council Tax from **£309.82** to **£306.72**. This means that after having frozen the Council Tax for the first three years of his administration, assuming 3 per cent inflation over the next 12 months, in real terms the Mayor's share of Londoners' council tax bills will have been reduced by 16 per cent between 2009 and 2013.

7 Conclusions and Recommendations

- 7.1 The Mayor has a number of statutory functions that must be fulfilled on behalf of Londoners and reflected in a financially balanced budget. These include the Mayor's existing statutory responsibilities, his discretionary functions and new powers he will have from 1 April 2012.
- 7.2 The Mayor remains satisfied that the Final Draft Budget is financially balanced and achieves a fair and reasonable balance between the statutory and discretionary responsibilities for the provision of services and the burden upon those required to finance the net cost. The estimates of income and expenditure, including allowances for inflation, Government funding and council tax, are soundly based and there is appropriate provision for contingencies and reserves.
- 7.3 In commending this budget to the Assembly the Mayor believes that Londoners recognise and support his plans to reduce the level of Council Tax whilst continuing to invest in London's public services.
- 7.4 On the basis of the information set out in this statement and accompanying documents, that the Assembly approves the Mayor's final draft consolidated council tax requirement for the GLA and the functional bodies of **£935,088,089** as contained in **Annex A** . This is after applying the GLA's share of the net surplus on the collection funds of the 33 London billing authorities (£9,725,041) which falls within the component budget for the Mayor of London for the purpose of these statutory calculations under sections 85 to 88 of the GLA Act.
- 7.5 The OPLC is not a functional body of the GLA and its Budget is therefore not a component part of the GLA's Consolidated Budget for the purposes of sections 85 to 88 of the GLA Act. Its budget is provided for comparative purposes only as if it were a functional body but it does not form part of the statutory budget calculations.
- 7.6 This draft consolidated council tax requirement is made up as follows:

<i>Constituent body</i>	<i>Component council tax requirement</i>
Mayor of London	£87,344,175
London Assembly	£2,600,000
Mayor's Office for Policing and Crime	£711,404,187
London Fire and Emergency Planning Authority	£127,739,727
Transport for London	£6,000,000
Total Consolidated Council Tax Requirement	£935,088,089

Boris Johnson
Mayor of London

Final Draft component and consolidated council tax requirements 2012-13

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

Line	Sum	Description
(1)	£374,822,873	estimated expenditure of the Mayor for the year calculated in accordance with s85(4)(a) of the GLA Act
(2)	£10,600,000	estimated allowance for contingencies for the Mayor under s85(4)(b) of the GLA Act
(3)	£2,946,343	estimated reserves to be raised for meeting future expenditure of the Mayor under s85(4)(c) of the GLA Act
(4)	-	estimate of reserves to meet a revenue account deficit of the Mayor under s85(4)(d) of the GLA Act
(5)	£388,369,216	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)	-£156,325,041	estimate of the Mayor's income not in respect of government grant calculated in accordance with s85(5)(a) of the GLA Act including the GLA share of the collection fund surplus for the 33 London council tax billing authorities
(7)	-£100,000,000	estimate of the Mayor's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
(8)	-£44,700,000	estimate of the Mayor's income in respect of redistributed non domestic rates, revenue support grant, police grant and GLA general grant calculated in accordance with s85(5)(a) of the GLA Act
(9)	-	estimate of Mayor's reserves to be used in meeting amounts in lines (1) and (2) above under s85(5)(b) of the GLA Act
(10)	-£301,025,041	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for the Mayor (lines (6) + (7) + (8) + (9))
(11)	£87,344,175	the component council tax requirement for the Mayor (being the amount by which the aggregate at (5) above exceeds the aggregate at (10) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for the Mayor for 2012-13 is £87,344,175

Greater London Authority: London Assembly ("Assembly") final draft component budget

Line	Sum	Description
(12)	£7,700,000	estimated expenditure of the Assembly for the year calculated in accordance with s85(4)(a) of the GLA Act
(13)	£0	estimated allowance for contingencies for the Assembly under s85(4)(b) of the GLA Act
(14)	£0	estimated reserves to be raised for meeting future expenditure of the Assembly under s85(4)(c) of the GLA Act
(15)	£0	estimate of reserves to meet a revenue account deficit of the Assembly under s85(4)(d) of the GLA Act
(16)	£7,700,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the Assembly (lines (12) + (13) + (14) + (15) above)
(17)	£0	estimate of the Assembly's income not in respect of government grant calculated in accordance with s85(5)(a) of the GLA Act
(18)	£0	estimate of the Assembly's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
(19)	-£5,100,000	estimate of the Assembly's income in respect of redistributed non domestic rates, revenue support grant, police grant and GLA general grant calculated in accordance with s85(5)(a) of the GLA Act
(20)	£0	estimate of Assembly's reserves to be used in meeting amounts in lines (12) and (13) above under s85(5)(b) of the GLA Act
(21)	-£5,100,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for the Assembly (lines (17) + (18) + (19) + (20))
(22)	£2,600,000	the component council tax requirement for the Assembly (being the amount by which the aggregate at (16) above exceeds the aggregate at (21) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for the Assembly for 2012-13 is £2,600,000.

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

Line	Sum	Description
(23)	£3,566,350,227	estimated expenditure of the MOPC calculated in accordance with s85(4)(a) of the GLA Act
(24)	-	estimated allowance for contingencies for the MOPC under s85(4)(b) of the GLA Act
(25)	-	estimated reserves to be raised for meeting future expenditure of the MOPC under s85(4)(c) of the GLA Act
(26)	-	estimate of reserves to meet a revenue account deficit of the MOPC under s85(4)(d) of the GLA Act
(27)	£3,566,350,227	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the MOPC (lines (23) + (24) + (25) + (26) above)
(28)	-£292,400,000	estimate of the MOPC's income not in respect of government grant calculated in accordance with s85(5)(a) of the GLA Act
(29)	-£649,200,000	estimate of the MOPC's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
(30)	-£1,889,805,040	estimate of the MOPC's income in respect of redistributed non domestic rates, revenue support grant, police grant and GLA general grant calculated in accordance with s85(5)(a) of the GLA Act
(31)	-£23,541,000	estimate of MOPC's reserves to be used in meeting amounts in lines (23) and (24) above under s85(5)(b) of the GLA Act
(32)	-£2,854,946,040	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for the MOPC (lines (28) + (29) + (30) + (31))
(33)	£711,404,187	the component council tax requirement for MOPC (being the amount by which the aggregate at (27) above exceeds the aggregate at (32) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for the MOPC for 2012-13 is £711,404,187.

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

Line	Sum	Description
(34)	£448,100,000	estimated expenditure of LFEPA for the year calculated in accordance with s85(4)(a) of the GLA Act
(35)	£0	Estimated allowance for contingencies for LFEPA under s85(4)(b) of the GLA Act
(36)	£0	estimated reserves to be raised for meeting future expenditure of LFEPA under s85(4)(c) of the GLA Act
(37)	£0	estimate of reserves to meet a revenue account deficit of LFEPA under s85(4)(d) of the GLA Act
(38)	£448,100,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for LFEPA (lines (34) + (35) + (36) + (37) above)
(39)	-£27,400,000	estimate of LFEPA's income not in respect of government grant calculated in accordance with s85(5)(a) of the GLA Act
(40)	-£10,900,000	estimate of LFEPA's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
(41)	-£252,060,273	estimate of LFEPA's income in respect of redistributed non domestic rates, revenue support grant, police grant and GLA general grant calculated in accordance with s85(5)(a) of the GLA Act
(42)	-£30,000,000	estimate of LFEPA's reserves to be used in meeting amounts in lines (34) and (35) above under s85(5)(b) of the GLA Act
(43)	-£320,360,273	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LFEPA (lines (39) + (40) + (41) + (42) above)
(44)	£127,739,727	the component council tax requirement for LFEPA (being the amount by which the aggregate at (38) above exceeds the aggregate at (43) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for LFEPA for 2012-13 is £127,739,727.

Transport for London ("TfL") final draft component budget

Line	Sum	Description
(45)	£10,040,000,000	estimated expenditure of TfL for the year calculated in accordance with s85(4)(a) of the GLA Act
(46)	£0	estimated allowance for contingencies for TfL under s85(4)(b) of the GLA Act
(47)	£248,000,000	estimated reserves to be raised for meeting future expenditure of TfL under s85(4)(c) of the GLA Act
(48)	£0	estimate of reserves to meet a revenue account deficit of TfL under s85(4)(d) of the GLA Act
(49)	£10,288,000,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the TfL (lines (45) + (46) + (47) + (48) above)
(50)	-£6,945,000,000	estimate of TfL's income not in respect of government grant calculated in accordance with s85(5)(a) of the GLA Act
(51)	-£3,337,000,000	estimate of TfL's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
(52)	£0	estimate of TfL's income in respect of redistributed non domestic rates, revenue support grant, police grant and GLA general grant calculated in accordance with s85(5)(a) of the GLA Act
(53)	£0	estimate of TfL's reserves to be used in meeting amounts in lines (45) and (46) above under s85(5)(b) of the GLA Act
(54)	-£10,282,000,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for TfL (lines (50) + (51) + (52) + (53) above)
(55)	£6,000,000	the component council tax requirement for TfL (being the amount by which the aggregate at (49) above exceeds the aggregate at (54) above calculated in accordance with section 85(6) of the GLA Act)

The final draft component council tax requirement for TfL for 2012-13 is £6,000,000.

Greater London Authority (“GLA”) final 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 (MOPC), the London Fire and Emergency Planning Authority and Transport for London

Line		Description
(55)	£935,088,089	the sum of the component council tax requirements for the GLA (Mayor and Assembly) (the sum of the amounts in lines (11) + (22) + (33) + (44) + (55) calculated in accordance with section 85(8) of the GLA Act

The final draft consolidated council tax requirement for the GLA for 2012-13 is £935,088,089.

The notional component council tax requirement calculation for OPLC – were it to be a functional body of the GLA under the GLA Act at the date of the Assembly meeting – is set out below for comparative purposes only. It is incorporated in Part 2 of the draft budget for completeness in order to aid understanding of the wider budget of the GLA Group following the creation of the Mayoral Development Corporation. The Assembly has no power to amend the OPLC’s original 2012-13 budget as this is a matter for the OPLC board pending the creation of the Mayoral Development Corporation.

Olympic Park Legacy Company (“OPLC”) notional final draft component budget

Line	Sum	Description
(56)	£26,300,000	estimated expenditure of OPLC for the year calculated in accordance with s85(4)(a) of the GLA Act
(57)	£0	estimated allowance for contingencies for OPLC under s85(4)(b) of the GLA Act
(58)	£0	estimated reserves to be raised for meeting future expenditure of OPLC under s85(4)(c) of the GLA Act
(59)	£0	estimate of reserves to meet a revenue account deficit of OPLC under s85(4)(d) of the GLA Act
(60)	£26,300,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the OPLC (lines (56) + (57) + (58) + (59) above)
(61)	-£11,100,000	estimate of the OPLC’s income not in respect of government grant calculated in accordance with s85(5)(a) of the GLA Act
(62)	-£10,600,000	estimate of the OPLC’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
(63)	£0	estimate of the OPLC’s income in respect of redistributed non domestic rates, revenue support grant, police grant and GLA general grant calculated in accordance with s85(5)(a) of the GLA Act
(64)	-£4,600,000	estimate of OPLC’s reserves to be used in meeting amounts in lines (56) and (57) above under s85(5)(b) of the GLA Act
(65)	-£26,300,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for OPLC (lines (61) + (62) + (63) + (64) above)
(66)	£0	the component council tax requirement for OPLC (being the amount by which the aggregate at (41) above exceeds the aggregate at (44) above calculated in accordance with section 85(6) of the GLA Act)

The notional final draft component council tax requirement for the OPLC for 2012-13 is £0.

Summary of final draft consolidated budget for 2012-13 (Statutory Calculation excluding Olympic Park Legacy Company)

£	GLA: Mayor	GLA: Assembly	MOPC	LFEPA	TfL	Total
Estimated expenditure	£374,822,873	£7,700,000	£3,566,350,227	£448,100,000	£10,040,000,000	£14,436,973,100
Estimated allowance for contingencies	£10,600,000	-	-	-	-	£10,600,000
Estimated reserves to be raised for meeting future expenditure	£2,946,343	-	-	-	-	£2,946,343
Estimate of reserves to meet a revenue account deficit	-	-	-	-	£248,000,000	£248,000,000
Estimated total expenditure	£388,369,216	£7,700,000	£3,566,350,227	£448,100,000	£10,288,000,000	£14,698,519,443
Estimate of income not in respect of government grant (including the net collection fund surplus for the Mayor)	-£156,325,041	-	-£292,400,000	-£27,400,000	-£6,945,000,000	-£7,421,125,041
Estimate of special & specific government grant income	-£100,000,000	-	-£649,200,000	-£10,900,000	-£3,337,000,000	-£4,097,100,000
Estimate of redistributed non-domestic rates, revenue support grant, police grant or general GLA grant income	-£44,700,000	-	-£1,889,805,040	-£252,060,273	-	-£2,191,665,313
Estimate of reserves to be used	-	-£5,100,000	-£23,541,000	-£30,000,000	-	-£53,541,000
Estimated total income	-£301,025,041	-£5,100,000	-£2,854,946,040	-£320,360,273	-£10,282,000,000	-£13,763,431,354
Council tax requirement	£87,344,175	£2,600,000	£711,404,187	£127,739,727	£6,000,000	£935,088,089

Aggregate GLA Group budget for 2012-13 including OPLC (for illustrative purposes)

£	GLA: Mayor	GLA: Assembly	MOPC	LFEP A	TfL	OPLC	Total
Estimated expenditure	£374,822,873	£7,700,000	£3,566,350,227	£448,100,000	£10,040,000,000	£26,300,000	£14,463,273,100
Estimated allowance for contingencies	£10,600,000	-	-	-	-	-	£10,600,000
Estimated reserves to be raised for meeting future expenditure	£2,946,343	-	-	-	-	-	£2,946,343
Estimate of reserves to meet a revenue account deficit	-	-	-	-	£248,000,000	-	£248,000,000
Estimated total expenditure	£388,369,216	£7,700,000	£3,566,350,227	£448,100,000	£10,288,000,000	£26,300,000	£14,724,819,443
Estimate of income not in respect of government grant (including the collection fund surplus)	-£156,325,041	-	-£292,400,000	-£27,400,000	-£6,945,000,000	-£11,100,000	-£7,432,225,041
Estimate of special & specific government grant income	-£100,000,000	-	-£649,200,000	-£10,900,000	-£3,337,000,000	-£10,600,000	-£4,107,700,000
Estimate of redistributed non-domestic rates, revenue support grant, police grant or general GLA grant income	-£44,700,000	-	-£1,889,805,040	-£252,060,273	-	-	-£2,191,665,313
Estimate of reserves to be used	-	-£5,100,000	-£23,541,000	-£30,000,000	-	-£4,600,000	-£58,141,000
Estimated total income	-£301,025,041	-£5,100,000	-£2,854,946,040	-£320,360,273	-£10,282,000,000	-£26,300,000	-£13,789,731,354
Council tax requirement	£87,344,175	£2,600,000	£711,404,187	£127,739,727	£6,000,000	-	£935,088,089