

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3250

Title: GLA: Mayor budget for 2024-25

Executive Summary:

Following the budget setting exercise in the period from Summer 2023 to February 2024, and the London Assembly's approval without amendment of the GLA: Mayor component budget council tax requirement at its meeting on 22 February, the Mayor is invited to approve the detailed Greater London Authority (GLA) Mayoral budget for 2024-25.

This budget presents a gross revenue expenditure for the GLA: Mayor in 2024-25 of £930m. The budget is now presented under eight Themes, plus Core activities, which will be the basis of performance and finance reporting in the new financial year. Themes account for £807m of the expenditure and Core accounts for £123m. This document also sets out a capital programme of £1.5bn. This budget proposes significant new GLA activity arising from the Mayor's final allocation of resources in his Group-wide budget.

Decision:

That the Mayor approves the GLA: Mayor budget for 2024-25 as set out in the Appendix.

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:

12/3/24

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

Decision required – supporting report

1. Introduction and background

- 1.1. This final GLA: Mayor budget (“final budget”) which the Mayor is invited to approve is structured around the eight “Themes” plus “Core activities”, that will become the basis of reporting into the future. This marks a change as we move away from the Recovery Missions implemented during and immediately following the COVID-19 pandemic, and ensures the budget continues to be focused on the latest challenges facing Londoners, including the current cost-of-living crisis, which has become a key focus of the deployment of the Mayor’s budget.
- 1.2. When the GLA: Mayor budget was prepared in draft in November 2023, only a small increase of £0.3m in the base level of funding for 2024-25 was anticipated. We know now that final council tax and business rates returns from London boroughs and the City of London Corporation were higher than forecast in the Mayor’s Budget Guidance issued in the summer 2023. This has allowed the Mayor to allocate £176m more additional funding than expected, all of which is one off. Including additional external income, this finalised budget set out in the Appendix lays out total revenue funding of £930m available for 2024-25 as well as a capital programme of £1.5bn for 2024-25.
- 1.3. This final GLA: Mayor budget sets out the contribution it will make to the pan-London work across a suite of Themes. Alongside the investment in the GLA Group budget, where functional bodies lead on activity related to the Safety and Transport themes, this budget is based on the following Themes:
 - Housing
 - Social Justice
 - Environment
 - Health
 - Skills
 - Children and Young People
 - Economy
 - Global City and Culture.
- 1.4. This focus on Themes replaces the reporting under “Recovery Missions” and “Recovery Foundations” presented in recent years. The budget is also reported by directorate. Core functions account for gross spend of £123m and a net spend of £107m. This allows us to allocate £807m revenue funding to Themes helping to address the current challenges facing Londoners.
- 1.5. As disclosed in the GLA’s quarterly performance reporting, the GLA is forecast to receive materially more interest income from its investments. This final budget allocates £55 million of increased investment income as revenue funding to the GLA capital programme reserve to meet potential pressures emerging from GLA Group development schemes given government decisions and delays regarding second staircases in high-rise buildings, significant cost pressures in the construction sector and wider economic challenges depressing land values and sale prices. Funding arising from the final local government settlement and additional interest receipts takes the total increase in this reserve to £105 million. An initial profile for the expenditure of this reserve has been assumed in order to give clarity on likely future reserve levels. However, this is subject to change as further information emerges and negotiations with partners conclude.

- 1.6. We also have a confirmed capital programme of £1.5bn in 2024-25, of which £1.3bn sits in the Affordable Housing Programme and other housing related programmes funded by the government. This substantial capital investment programme is critical to supporting Londoners.

2. Objectives and expected outcomes

- 2.1. The final GLA: Mayor budget sets out the financial envelope for the GLA's Mayoral operations in 2024-25. The final GLA: Mayor budget will be deployed to meet the Mayor's priorities for the GLA. The Appendix describes in detail the objectives and outcomes that will be delivered.
- 2.2. The capital strategy sets out detailed spending plans from 2024-25 to 2027-28 along with aspirations and plans to implement the Mayor's policies over the longer term to 2042-43.
- 2.3. The final GLA: Mayor budget also sets out detailed information on the GLA's staffing establishment.

3. Equality comments

- 3.1. The assessment of equalities impacts is set out in detail in the appendix. Under section 149 of the Equality Act 2010 (the Equality Act), the Mayor is subject to a Public Sector Equality Duty which means that, when carrying out his functions, he must have due regard to:
 - the need to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
 - advance equality of opportunity between people who share a protected characteristic and those who do not
 - foster good relations between people who share a protected characteristic and those who do not.
- 3.2. Protected characteristics under the Equality Act include age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status (all except the last being "relevant" protected characteristics).
- 3.3. Equalities impacts and the above duties will continue to be considered when individual programmes and project specifications are developed and approved through the GLA's decision-making processes.

4. Other considerations

- 4.1. An assessment of the final GLA: Mayor budget's environmental impact is also set out in it.
- 4.2. The budget setting process has been conducted in accordance with the statutory requirements in the Greater London Authority Act 1999 (GLA Act). The London Assembly approved without amendment the GLA: Mayoral component budget council tax requirement at its meeting on 22 February 2024.
- 4.3. It is recognised that all GLA officers have an interest in the budget, as it funds their employment. This budget has been developed in a process overseen by the Corporate Investment Board to ensure it is driven by Mayoral and corporate priorities, rather than those of any individual or team.

5. Financial comments

- 5.1. Financial issues are integral to this decision and are presented in detail in the Appendix. There are risks and uncertainties inherent in programmes reliant on government/external funding and government policy on council tax and business rates in the medium term. The budget development,

consultation and approval process has arrived at reserve provisions which are judged to be reasonable, necessary and prudent. This will be kept under review.

6. Legal comments

- 6.1. As confirmed at paragraph 4.2 above, the budget setting process has been conducted in accordance with the statutory provisions in Part III and Schedule 6 of the GLA Act 1999.

7. Planned delivery approach and next steps

- 7.1. The budget will come into effect at the start of the next financial year on 1 April 2024.

Appendices and supporting papers:

Appendix 1: GLA Budget for 2024-25.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) 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 it has been approved or on the defer date.

Part 1 – Deferral

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

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included 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:

Anna Casbolt has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Enver Enver has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

David Bellamy has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on the 11 March 2024.

INTERIM CHIEF FINANCE OFFICER

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

Signature



Date

12 March 2024

CHIEF OF STAFF:

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

Signature



Date

12 March 2024

