

Introduction

The Mayor of London is committed to achieving value for money for Londoners and supporting London's economic growth. This guide explains how your council tax pays for Greater London Authority (GLA) services. **For the fifth year running the Mayor is cutting his part of the council tax.** This means that he has reduced it by ten per cent in cash terms during his second term.

The current financial climate means the public sector must provide better public services with fewer resources. This year's budget has required some tough choices to be made. Within this context it seeks to protect the key services Londoners expect from the Mayor - safer streets, investment in transport infrastructure and more affordable housing.

Council tax and budget information

The GLA's share of the council tax for a typical Band D property has been reduced by £19 to £276. The table below shows how this is allocated. A Band D council taxpayer in the City of London, which has its own police force, will pay £73.89.

Council Tax (£)	2015-16	Change	2016-17
MOPAC (Met Police)	208.87	-6.76	202.11
LFEPa (Fire Brigade)	50.85	-3.81	47.04
GLA and Olympics	33.07	-8.35	24.72
TfL (Transport)	2.21	-0.08	2.13
Total (£)	295.00	-19.00	276.00

Controlling costs at City Hall (core GLA)

The Mayor's budget includes large savings and efficiencies across the GLA group in 2016-17. These savings have allowed the Mayor to reduce his precept on London council taxpayers and release resources to meet his key priorities.

The Mayor is increasing the supply of affordable homes, over and above the 100,000 new homes he has already provided since 2008. This is being done through new approaches, like creating over 20 new Housing Zones. He also uses his budget to help make London a cleaner, greener and safer city. Other investment helps to regenerate town centres across London. Through the GLA group's work, he also creates over 200,000 new jobs and apprenticeship opportunities for young Londoners.

The Mayor's Policing and Crime Plan has set the Metropolitan Police Service (MPS) a challenge to cut high impact, high volume neighbourhood crimes by 20 per cent and increase public confidence by at least 20 per cent. At the same time, the MPS has been provided with the resources to maintain police officer numbers at around 32,000.

The Mayor's Office for Policing and Crime (MOPAC) is also changing the MPS. It has:

- increased the percentage of frontline officers, up from 42.3 per cent in March 2013 to 54.1 per cent in September 2015;
- put 2,600 extra officers into local neighbourhoods;
- launched the largest rollout of body-worn video technology in any city in the world, with 22,000 cameras being provided for police officers; and

- made the MPS more diverse than at any other time in its history.

Transport for London (TfL)

With London's population forecast to grow by one million in the next decade, TfL is investing in making the transport network more reliable and accessible. Planned investment by TfL over this period includes:

- new signalling on the Circle, District, Metropolitan and Hammersmith & City lines, to help increase capacity and reliability;
- upgrading Victoria, Bond Street, Bank, Tottenham Court Road and Finsbury Park stations;
- introducing a new 24-hour Tube service at weekends on key lines during 2016;
- working with London boroughs to maintain existing concessionary travel schemes. This includes free 24 hour travel for the over 60s, the disabled, armed forces personnel in uniform and eligible war veterans with discounts on travelcards available for apprentices;
- completing Crossrail by 2019 which will increase London's rail capacity by ten per cent and extending the Northern Line to Nine Elms and Battersea;
- increasing capacity by 50 per cent on the Wimbledon to Croydon tram service;
- investing £250 million to help meet the Mayor's target of over 50 per cent of Rail and Underground stations being step-free by 2018;
- electrifying the Gospel Oak to Barking London Overground line and extending this to Barking Riverside;
- investing £4 billion to improve the safety and quality of London's roads for all users by 2022; and
- investing £913 million over the next decade to make cycling safer by creating safer junctions, segregated cycle routes and Quietways on less busy streets with a further £200 million on bus priority schemes.

London Fire and Emergency Planning Authority (LFEPA)

LFEPA is working to become a more efficient and effective organisation. The aim is to balance the authority's budget while seeking to protect, and where possible, improve the London Fire Brigade's response times. LFEPA also promotes community safety and fire prevention. It ensures that buildings in London conform to fire safety standards in order to protect both Londoners and visitors to the capital.

London Legacy Development Corporation (LLDC)

The LLDC was set up by the Mayor to ensure that London benefits from a lasting legacy from the 2012 Olympic and Paralympic Games. The Olympic Stadium will reopen permanently this summer before the start of the 2016-17 football season, while by 2030, there will be over 10,000 new homes in Stratford's Queen Elizabeth Olympic Park. The Mayor's budget will also support his £1.3 billion Olympicopolis project which will see a new world class education and cultural district created in the park.

Old Oak and Park Royal Development Corporation (OPDC)

The OPDC will help create 65,000 new jobs and over 25,000 new homes in this part of west London over the next 20 years. It will build on the regeneration that will be brought to the area by the new High Speed 2 (HS2), Crossrail and Great West Mainline stations at Old Oak Common.

Summary of GLA group budget

The tables below set out the GLA's funding sources, the reasons for the year on year budget change and how we calculate the sum to be collected from the council tax (the council tax requirement).

How the GLA budget is funded (£m)	2016-17
Gross expenditure	11,481
Government grants and retained business rates	-3,985
Fares, charges and other income	-6,578
Use of reserves	-144
Amount met by council tax payers	774

Changes in spending (£m)	2016-17
2015-16 council tax requirement	801
Inflation	193
Efficiencies and other savings	-304
New investment to improve services	164
Other changes (for example fares revenue)	-80
2016-17 council tax requirement	774

Detailed budget by service area

The table below compares the GLA group's expenditure on policing, fire and other services (including transport) in 2016-17 with 2015-16.

The reduction in gross expenditure reflects the impact of the phased ending of the contribution of London council taxpayers to fund the 2012 Games and the assumed profiling of transport investment. This is offset by an increase of nearly £50 million in the police budget. Overall the council tax requirement has fallen mainly because of the £19 drop in the Mayor's precept per Band D property. Find out more about our budget at: www.london.gov.uk/budget (tel: 020 7983 4000).

Summary of spending and income £m (Figures may not sum exactly due to rounding)	Police (MOPAC)		Fire (LFEPA)		Other Services (incl. GLA, TfL, LLDC and OPDC)		GLA Group Total	
	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
Gross expenditure	3,166.6	3,263.5	423.7	425.2	7,860.5	7,792.1	11,450.8	11,480.8
Government grants and business rates	-2,274.8	-2,316.8	-253.2	-257.0	-1,698.4	-1,410.7	-4,226.3	-3,984.5
Other income (incl. fares and charges)	-261.7	-257.7	-32.2	-32.6	-6,070.0	-6,288.0	-6,364.0	-6,578.3
Net expenditure	630.1	689.0	138.3	135.6	92.1	93.5	860.5	918.0
Change to level of reserves	-63.6	-122.3	-0.1	2.7	3.9	-24.1	-59.8	-143.7
Council tax requirement (income)	566.5	566.7	138.2	138.2	96.0	69.4	800.7	774.3