SCHEDULE 7 – Procedure for making of substitute calculations by the Authority Document Generated: 2024-07-27

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## SCHEDULES

### SCHEDULE 7

Section 98.

### PROCEDURE FOR MAKING OF SUBSTITUTE CALCULATIONS BY THE AUTHORITY

## **Modifications etc. (not altering text)**

C1 Sch. 7 applied by 1992 c. 14, s. 52ZU(11) (as inserted (3.12.2011) by Localism Act 2011 (c. 20), ss. 72(1), 240(2), Sch. 5; S.I. 2011/2896, art. 2(i))

## Preliminary

- 1 (1) This Schedule applies in relation to any substitute calculations which are required to be made in accordance with it.
  - (2) In this Schedule "public meeting", in relation to the Assembly, means a meeting of the Assembly throughout which members of the public are entitled to be present.

### The Mayor's first draft

- 2 (1) The Mayor shall prepare a draft of his proposals for the substitute calculations ("the first draft").
  - (2) Before finally determining the contents of the first draft, the Mayor shall consult—
    - (a) the Assembly; and
    - (b) each of the functional bodies affected by the proposals.
  - (3) The Mayor shall—
    - (a) lay the first draft before the Assembly in accordance with standing orders of the Authority; and
    - (b) publish it in such manner as he may determine.

# Failure of Mayor to comply with paragraph 2(3)

- 3 (1) This paragraph applies if the Mayor has not complied with paragraph 2(3) above before the beginning of the period of restriction for the purposes of section 96 of this Act or section [F152ZW] of the M1Local Government Finance Act 1992.
  - (2) Where this paragraph applies, the Assembly shall prepare a draft of their proposals for the substitute calculations, after consulting each of the functional bodies affected by the proposals.
  - (3) If, at a public meeting of the Assembly, the draft proposals prepared under sub-paragraph (2) above are approved by the Assembly—
    - (a) the Authority's substitute calculations shall be the substitute calculations in that draft as so approved; and

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(b) the following provisions of this Schedule shall not apply in relation to the substitute calculations.

#### **Textual Amendments**

F1 Word in Sch. 7 para. 3(1) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), Sch. 6 para. 38(2); S.I. 2011/2896, art. 2(i)

### **Marginal Citations**

M1 1992 c. 14.

## Assembly consideration of Mayor's first draft

- 4 (1) This paragraph applies where the Mayor has laid the first draft before the Assembly in accordance with paragraph 2 above.
  - (2) The first draft must be considered at a public meeting of the Assembly.
  - (3) The Assembly must approve the first draft with or without amendment.
  - (4) For the purposes of sub-paragraph (3) above, the only amendments which are to be made are those agreed to by the Assembly.
  - (5) If no amendments are made on consideration of the first draft, the first draft shall be deemed to be approved without amendment.

*I*<sup>F2</sup>Limit on Assembly's powers to amend Mayor's first draft budget for the Assembly

### **Textual Amendments**

- F2 Sch. 7 para. 4A and cross-heading inserted (E.W.) (with effect in accordance with s. 59(6) of the amending Act) by Greater London Authority Act 2007 (c. 24), ss. 14(2), 59(4); S.I. 2007/3107, art. 3
- 4A (1) In exercising its powers of amendment under paragraph 4(3) above, the Assembly must not make amendments affecting the amount of the first draft component [F3council tax] requirement for the Assembly if those amendments, taken together, contravene sub-paragraph (2) below.
  - (2) Amendments contravene this sub-paragraph if—
    - (a) the effect of implementing the amendments is to increase the amount of the first draft component [F4council tax] requirement for the Assembly, and
    - (b) the condition in sub-paragraph (3) below is met.
  - (3) The condition is that—
    - (a) the first draft component [F5council tax] requirement for the Assembly, after implementing the amendments,

## exceeds

(b) the adjusted previous component [F5council tax] requirement for the Assembly (see sub-paragraph (5)).

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- (4) This paragraph is without prejudice to section 49(2) of the Local Government Finance Act 1992 (substitute amount not to exceed previous amount (but see section 49(6) of that Act)).
- (5) Find the adjusted previous component [F6council tax] requirement for the Assembly as follows.
- (6) Find NM and OM, where—

NM is the first draft component [F6council tax] requirement for the Mayor, before implementing any amendments under paragraph 4(3) above;

OM is the component [F6council tax] requirement for the Mayor for the previous financial year.

- (7) If NM is greater than OM—
  - (a) find the percentage by which NM is greater than OM, and
  - (b) increase the amount of the component [F6council tax] requirement for the Assembly for the previous financial year by the same percentage.

The result is the adjusted previous component [F6council tax] requirement for the Assembly.

- (8) If NM is less than OM—
  - (a) find the percentage by which NM is less than OM, and
  - (b) reduce the amount of the component [F6council tax] requirement for the Assembly for the previous financial year by the same percentage.

The result is the adjusted previous component [F6council tax] requirement for the Assembly.

- (9) If NM equals OM, then—
  - (a) the adjusted previous component [F6council tax] requirement for the Assembly,

equals

- (b) the amount of the component [F6 council tax] requirement for the Assembly for the previous financial year.
- (10) Sub-paragraphs (9) to (11) of paragraph 5A of Schedule 6 to this Act (power of chief finance officer to direct amounts to be left out of account) also have effect for the purposes of this paragraph.
- (11) For the purposes of this Schedule—
  - (a) "component budget" has the same meaning as in Schedule 6 to this Act;
  - (b) the "first draft component budget" for any constituent body is the draft component budget for that body comprised in the first draft;
  - (c) the "first draft component [F7council tax] requirement" for any constituent body is the component [F7council tax] requirement for the body as stated in the first draft component budget for the body.]

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#### **Textual Amendments**

- F3 Words in Sch. 7 para. 4A(1) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), Sch. 7 para. 41(a); S.I. 2011/2896, art. 2(i)
- F4 Words in Sch. 7 para. 4A(2)(a) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), Sch. 7 para. 41(a); S.I. 2011/2896, art. 2(i)
- F5 Words in Sch. 7 para. 4A(3) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), Sch. 7 para. 41(a); S.I. 2011/2896, art. 2(i)
- **F6** Words in Sch. 7 paras. 4A(5)-(9) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), **Sch.** 7 para. 41(a); S.I. 2011/2896, art. 2(i)
- F7 Words in Sch. 7 para. 4A(11)(c) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), Sch. 7 para. 41(a); S.I. 2011/2896, art. 2(i)

## The Mayor's final draft

### 5 (1) After—

- (a) the first draft has been approved (with or without amendment) under paragraph 4 above, or
- (b) such period as the Mayor considers reasonable has elapsed without the first draft having been so approved,

the Mayor shall prepare a final draft of his proposals for the substitute calculations ("the final draft").

- (2) In a case falling within paragraph (b) of sub-paragraph (1) above—
  - (a) the Mayor shall lay before the Assembly in accordance with standing orders of the Authority a statement that he is proceeding by virtue of that paragraph; and
  - (b) on the laying of the statement, the Assembly shall be deemed to have approved the first draft without amendment.
- (3) Whether the Assembly have approved the first draft with or without amendment, the final draft may be—
  - (a) the first draft, as approved by the Assembly, with the amendments (if any) made under paragraph 4 above;
  - (b) the first draft amended by the Mayor as he considers appropriate; or
  - (c) the same as the first draft.

# (4) The Mayor shall—

- (a) present the final draft to the Assembly; and
- (b) publish it in such manner as he may determine.

### (5) If—

- (a) the Assembly approved the first draft with amendments under paragraph 4 above, but
- (b) the final draft is anything other than the first draft with those amendments, the Mayor, at the time when he presents the final draft to the Assembly, shall lay before the Assembly in accordance with standing orders of the Authority a written statement of his reasons for preparing a final draft which is not the first draft with those amendments.

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## Failure of Mayor to present a final draft

- 6 (1) This paragraph applies if the Mayor has complied with paragraph 2(3) above but has failed to comply with paragraph 5(4) above before the beginning of the period of restriction for the purposes of section 96 of this Act or section [F852ZW] of the M2Local Government Finance Act 1992.
  - (2) Where this paragraph applies, a public meeting of the Assembly shall be held to determine the Authority's substitute calculations.
  - (3) The substitute calculations shall be agreed by the Assembly.
  - (4) Where this paragraph applies, the following provisions of this Schedule shall not apply in relation to the substitute calculations.

#### **Textual Amendments**

F8 Word in Sch. 7 para. 6(1) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), Sch. 6 para. 38(3); S.I. 2011/2896, art. 2(i)

### **Marginal Citations**

**M2** 1992 c. 14.

# Approval of Mayor's final draft by Assembly

- 7 (1) This paragraph applies where the Mayor presents a final draft to the Assembly in accordance with paragraph 5 above.
  - (2) The final draft must be considered at a public meeting of the Assembly.
  - (3) After considering the final draft, the Assembly must approve it with or without amendment.
  - (4) For the purposes of sub-paragraph (3) above, the only amendments which are to be made are those agreed to by at least two-thirds of the Assembly members voting.
  - (5) If no amendments are made on consideration of the final draft, the final draft shall be deemed to be approved without amendment.
  - (6) The Authority's substitute calculations shall be those in the final draft as approved by the Assembly with the amendments (if any) made in accordance with sub-paragraphs (3) and (4) above.

[F9Limit on Assembly's power to amend Mayor's final draft budget for the Assembly

#### **Textual Amendments**

- F9 Sch. 7 para. 7A and cross-heading inserted (E.W.) (with effect in accordance with s. 59(6) of the amending Act) by Greater London Authority Act 2007 (c. 24), ss. 14(3), 59(4); S.I. 2007/3107, art. 3
- 7A (1) In exercising its powers of amendment under paragraph 7 above, the Assembly must not make amendments affecting the amount of the final draft component [F10 council tax] requirement for the Assembly if those amendments, taken together, contravene sub-paragraph (2) below.

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- (2) Amendments contravene this sub-paragraph if—
  - (a) the effect of implementing the amendments is to increase the amount of the final draft component [FII council tax] requirement for the Assembly, and
  - (b) the condition in sub-paragraph (3) below is met.
- (3) The condition is that—
  - (a) the final draft component [F12council tax] requirement for the Assembly, after implementing the amendments,

### exceeds

- (b) the adjusted previous component [F12council tax] requirement for the Assembly (see sub-paragraph (5)).
- (4) This paragraph is without prejudice to section 49(2) of the Local Government Finance Act 1992 (substitute amount not to exceed previous amount (but see section 49(6) of that Act)).
- (5) Find the adjusted previous component [F13 council tax] requirement for the Assembly as follows.
- (6) Find NM and OM, where—

NM is the final draft component [F13 council tax] requirement for the Mayor, before implementing any amendments under paragraph 7(3) above;

OM is the component [F13council tax] requirement for the Mayor for the previous financial year.

- (7) If NM is greater than OM—
  - (a) find the percentage by which NM is greater than OM, and
  - (b) increase the amount of the component [F13council tax] requirement for the Assembly for the previous financial year by the same percentage.

The result is the adjusted previous component [F13council tax] requirement for the Assembly.

- (8) If NM is less than OM—
  - (a) find the percentage by which NM is less than OM, and
  - (b) reduce the amount of the component [F13council tax] requirement for the Assembly for the previous financial year by the same percentage.

The result is the adjusted previous component [F13council tax] requirement for the Assembly.

- (9) If NM equals OM, then—
  - (a) the adjusted previous component [F13council tax] requirement for the Assembly,

## equals

- (b) the amount of the component [F13council tax] requirement for the Assembly for the previous financial year.
- (10) Sub-paragraphs (9) to (11) of paragraph 5A of Schedule 6 to this Act (power of chief finance officer to direct amounts to be left out of account) also have effect for the purposes of this paragraph.

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(11) For the purposes of this Schedule the "final draft component [F14council tax] requirement" for any constituent body is the component [F14council tax] requirement for that body as stated in the final draft.]

### **Textual Amendments**

- **F10** Words in Sch. 7 para. 7A(1) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), **Sch. 7 para.** 41(b); S.I. 2011/2896, art. 2(i)
- F11 Words in Sch. 7 para. 7A(2)(a) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), Sch. 7 para. 41(b); S.I. 2011/2896, art. 2(i)
- F12 Words in Sch. 7 para. 7A(3) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), Sch. 7 para. 41(b); S.I. 2011/2896, art. 2(i)
- F13 Words in Sch. 7 paras. 7A(5)-(9) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), Sch. 7 para. 41(b); S.I. 2011/2896, art. 2(i)
- F14 Words in Sch. 7 para. 7A(11) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), Sch. 7 para. 41(b); S.I. 2011/2896, art. 2(i)

## Failure of Assembly to approve final draft within 21 days

If the Assembly fails to approve the final draft, with or without amendment, before the end of the period of 21 days beginning with the day on which the Mayor presented the final draft, the Authority's substitute calculations shall be those in the final draft presented to the Assembly in accordance with paragraph 5 above.

## Publication

- 9 (1) This paragraph applies where any substitute calculations are made in accordance with this Schedule.
  - (2) Where this paragraph applies, the Mayor shall as soon as practicable publish a document containing the substitute calculations.
  - (3) In this paragraph "relevant document" means any document required to be published under sub-paragraph (2) above.
  - (4) A copy of each relevant document shall be kept available for the appropriate period by the Mayor for inspection by any person on request free of charge at the principal offices of the Authority at reasonable hours.
  - (5) A copy of any relevant document, or any part of a relevant document, shall be supplied to any person on request during the appropriate period for such reasonable fee as the Mayor may determine.
  - (6) In this paragraph "the appropriate period" in the case of any document is the period of six years beginning with the date of publication of the document pursuant to this paragraph.

## **Status:**

Point in time view as at 31/03/2017.

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