



# Greater London Authority Act 2007

## 2007 CHAPTER 24

### PART 1 **E+W**

#### GENERAL FUNCTIONS OF THE AUTHORITY

##### *The annual budget*

- 13 Procedure for determining Authority's consolidated budget requirement **E+W****
- (1) Schedule 6 to the GLA Act 1999 (procedure for determining the Authority's consolidated budget requirement) is amended as follows.
  - (2) In paragraph 2, for sub-paragraph (2) (consultation before preparing draft component budget for the Authority) substitute—
    - “(2) The Mayor shall consult the Assembly—
      - (a) before preparing the draft component budget for the Mayor, and
      - (b) before preparing the draft component budget for the Assembly.”.
  - (3) In paragraph 4 (duty of Assembly if Mayor fails to comply) in sub-paragraph (1) for paragraph (b) substitute—
    - “(b) prepare a draft component budget for the Mayor;
    - (bb) prepare a draft component budget for the Assembly; and”.
  - (4) In paragraph 5 (Assembly consideration of Mayor's draft budget) in sub-paragraph (3) (Assembly to approve budgets with or without amendment) after “with or without amendment” insert “ (but see paragraph 5A below) ”.
  - (5) After paragraph 5 insert—

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*Changes to legislation:* There are currently no known outstanding effects for the Greater London Authority Act 2007, Section 13. (See end of Document for details)

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**5A “Limit on Assembly's powers to amend Mayor's draft budget for the Assembly**

- (1) In exercising its powers of amendment under paragraph 5(3) above, the Assembly must not make amendments affecting the amount of the draft component budget 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 draft component budget requirement for the Assembly, and
  - (b) the condition in sub-paragraph (3) below is met.
- (3) The condition is that—
  - (a) the draft component budget requirement for the Assembly, after implementing the amendments, exceeds
  - (b) the adjusted previous component budget requirement for the Assembly.
- (4) Find the adjusted previous component budget requirement for the Assembly as follows.
- (5) Find NM and OM, where—
 

NM is the draft component budget requirement for the Mayor, before implementing any amendments under paragraph 5(3) above;

OM is the component budget requirement for the Mayor for the previous financial year.
- (6) 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 budget requirement for the Assembly for the previous financial year by the same percentage.

The result is the adjusted previous component budget requirement for the Assembly.
- (7) 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 budget requirement for the Assembly for the previous financial year by the same percentage.

The result is the adjusted previous component budget requirement for the Assembly.
- (8) If NM equals OM, then—
  - (a) the adjusted previous component budget requirement for the Assembly, equals
  - (b) the amount of the component budget requirement for the Assembly for the previous financial year.

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- (9) The Authority's chief finance officer may direct that such amounts as he may specify in the direction are to be left out of account for the purpose of determining the adjusted previous component budget requirement for the Assembly.
  - (10) The Secretary of State may give the chief finance officer guidance with respect to the exercise of the power to give a direction under sub-paragraph (9) above.
  - (11) The chief finance officer must have regard to any such guidance.
  - (12) For the purposes of this Schedule the “draft component budget requirement” for any constituent body is the component budget requirement for the body as stated in the draft component budget for the body.”.
- (6) In paragraph 8 (approval of Mayor's draft budget by Assembly) in sub-paragraph (3) (Assembly to approve final draft budget with or without amendment) after “with or without amendment” insert “ (but see paragraph 8A below) ”.
- (7) After paragraph 8 insert—

**8A “Limit on Assembly's power to amend Mayor's final draft budget for the Assembly**

- (1) In exercising its powers of amendment under paragraph 8 above, the Assembly must not make amendments affecting the amount of the final draft component budget 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 final draft component budget 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 budget requirement for the Assembly, after implementing the amendments, exceeds
  - (b) the adjusted previous component budget requirement for the Assembly.
- (4) Find the adjusted previous component budget requirement for the Assembly as follows.
- (5) Find NM and OM, where—
  - NM is the final draft component budget requirement for the Mayor, before implementing any amendments under paragraph 8(3) above;
  - OM is the component budget requirement for the Mayor for the previous financial year.
- (6) 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 budget requirement for the Assembly for the previous financial year by the same percentage.

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The result is the adjusted previous component budget requirement for the Assembly.

- (7) 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 budget requirement for the Assembly for the previous financial year by the same percentage.

The result is the adjusted previous component budget requirement for the Assembly.

- (8) If NM equals OM, then—
- (a) the adjusted previous component budget requirement for the Assembly,
- equals
- (b) the amount of the component budget requirement for the Assembly for the previous financial year.

- (9) Sub-paragraphs (9) to (11) of paragraph 5A above (power of chief finance officer to direct amounts to be left out of account) also have effect for the purposes of this paragraph.

- (10) For the purposes of this Schedule the “final draft component budget requirement” for any constituent body is the component budget requirement for the body as stated in the final draft budget.”.

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**Commencement Information**

**II** S. 13 has effect in relation to financial years beginning on or after an appointed day, see s. 59(6)

**Changes to legislation:**

There are currently no known outstanding effects for the Greater London Authority Act 2007, Section 13.