



Greater London Authority Act 1999

1999 CHAPTER 29

PART III

FINANCIAL PROVISIONS

CHAPTER I

COUNCIL TAX

Budget requirements

85 Calculation of component and consolidated [^{F1}council tax] requirements.

- (1) Section [^{F2}42A] of the ^{M1}Local Government Finance Act 1992 shall not apply in relation to the Authority, and the following provisions of this section and section 86 below shall have effect in relation to the Authority in place of that section.
- (2) In relation to each financial year, the Authority shall make the calculations required by this section.
- (3) The Authority must, in the case of each constituent body, that is to say—
 - (a) [^{F3}the Assembly,
 - (aa) the Mayor, and]
 - (b) each of the functional bodies,calculate the aggregates required by virtue of subsections (4) and (5) below.

[^{F4}(3A) In subsection (3) above—

- (a) the reference to the Assembly is a reference to the Authority as respects the Assembly's functions (see subsection (14)),
- (b) the reference to the Mayor is a reference to the Authority except as respects the Assembly's functions,

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and other references in this Chapter to the Mayor or the Assembly, in their capacity as constituent bodies for the purposes of the budgetary provisions, or to their functions (in that capacity), are to be construed accordingly.]

(4) The aggregate required by virtue of this subsection in the case of a constituent body is the aggregate of—

- (a) the expenditure the Authority estimates [^{F5}will be incurred by the body] in the year in performing its functions and [^{F6}will be charged] to a revenue account for the year [^{F7}in accordance with proper practices][^{F8}(but, in the case of the Mayor or the Assembly, see also subsections (10) to (13))];
- (b) such allowance as the Authority estimates will be appropriate for contingencies in relation to [^{F9}amounts to be charged or credited] to a revenue account for the year [^{F10}in accordance with proper practices];
- (c) the financial reserves which the Authority estimates it will be [^{F11}appropriate to be raised by or in respect of the body] in the year for meeting the body’s estimated future expenditure; and
- (d) such of [^{F12}the financial reserves of, or in respect of, the body] as are sufficient to meet so much of the amount estimated by the Authority to be a [^{F13}revenue account deficit of or in respect of the body] for any earlier financial year as has not already been provided for.

(5) The aggregate required by virtue of this subsection in the case of a constituent body is the aggregate of—

- [^{F14}(a) the income which the Authority estimates will accrue to or for the body in the year and which will be credited to a revenue account for the year in accordance with proper practices, other than income which the Authority estimates will accrue in respect of any precept issued by it;]
- (b) the amount of the body’s financial reserves which the Authority estimates [^{F15}will be used by or in respect of the body] in order to provide for the items mentioned in paragraphs (a) and (b) of subsection (4) above.

(6) If, in the case of any constituent body, the aggregate calculated under subsection (4) above exceeds that calculated under subsection (5) above—

- (a) the Authority must calculate the amount equal to the difference; and
- (b) the amount so calculated shall be the body’s component [^{F16}council tax] requirement for the year.

(7) If, in the case of any constituent body, the aggregate calculated under subsection (4) above does not exceed that calculated under subsection (5) above, the body’s component [^{F17}council tax] requirement for the year shall be nil.

(8) The Authority must also calculate the aggregate of the component [^{F18}council tax] requirements of each of the constituent bodies and that aggregate shall be the Authority’s consolidated [^{F18}council tax] requirement for the year.

[^{F19}(9)

[^{F20}(10) Subsections (11) to (13) below have effect for the purposes of the budgetary provisions in their application in relation to the Mayor and the Assembly in their capacity as constituent bodies.

(11) The expenditure that is to be regarded for the purposes of subsection (4)(a) above as incurred by the Assembly in the performance of its functions includes any expenditure

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by the Authority in the performance of its functions which is incurred in respect of any of the following—

- (a) the Assembly members,
 - (b) the Assembly secretariat (see subsection (14)),
 - (c) goods or services procured solely for the purposes of the Assembly,
 - (d) the London Transport Users' Committee (see section 247 and Schedule 18),
- but does not include any expenditure falling within subsection (12) below.

(12) That expenditure is expenditure by the Authority in respect of any of the following—

- (a) accommodation provided or procured in whole or in part for the conduct of the business of the Assembly or Assembly members,
- (b) goods or services provided or procured for the Authority in general.

(13) The expenditure that is to be regarded for the purposes of subsection (4)(a) above as incurred by the Mayor in the performance of his functions is any expenditure—

- (a) which is incurred by the Authority in the performance of its functions, and
- (b) which does not fall to be regarded for the purposes of subsection (4)(a) above as incurred by the Assembly in the performance of its functions.

(14) In this section—

“the Assembly secretariat” means employees of the Authority who normally work as support staff for the Assembly or Assembly members;

“the Assembly's functions” means—

- (a) such of the functions of the Authority as are exercisable only by the Assembly acting on behalf of the Authority, and
- (b) the Assembly's function of acting jointly with the Mayor in the case of those functions of the Authority which are exercisable only by the Mayor and the Assembly acting jointly on behalf of the Authority;

“the budgetary provisions” means sections 85 to 87 of, and Schedule 6 to, this Act.

(15) All such apportionments as may be necessary for the purpose of calculating the aggregates required by subsections (4) and (5) above in the case of the Mayor and the Assembly are to be made on a just and reasonable basis.]

Textual Amendments

- F1** Words in s. 85 heading substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), [ss. 76\(2\)](#), 240(2); S.I. 2011/2896, [art. 2\(g\)](#)
- F2** Word in s. 85(1) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), [ss. 76\(3\)](#), 240(2); S.I. 2011/2896, [art. 2\(g\)](#)
- F3** S. 85(3)(a)(aa) substituted (E.W.) for s. 85(3)(a) (E.W.) (with effect in accordance with [s. 59\(6\)](#) of the amending Act) by [Greater London Authority Act 2007 \(c. 24\)](#), [ss. 12\(2\)](#), 59(4); S.I. 2007/3107, [art. 3](#)
- F4** S. 85(3A) inserted (E.W.) (with effect in accordance with [s. 59\(6\)](#) of the amending Act) by [Greater London Authority Act 2007 \(c. 24\)](#), [ss. 12\(3\)](#), 59(4); S.I. 2007/3107, [art. 3](#)
- F5** Words in s. 85(4)(a) substituted (E.W.) (with effect in accordance with [s. 59\(6\)](#) of the amending Act) by [Greater London Authority Act 2007 \(c. 24\)](#), [ss. 12\(4\)\(a\)](#), 59(4); S.I. 2007/3107, [art. 3](#)
- F6** Words in s. 85(4)(a) substituted (E.W.) (with effect in accordance with [s. 59\(6\)](#) of the amending Act) by [Greater London Authority Act 2007 \(c. 24\)](#), [ss. 12\(4\)\(b\)](#), 59(4); S.I. 2007/3107, [art. 3](#)
- F7** Words in s. 85(4)(a) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), [ss. 76\(4\)\(a\)](#), 240(2); S.I. 2011/2896, [art. 2\(g\)](#)

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- F8** Words in s. 85(4)(a) inserted (E.W.) (with effect in accordance with s. 59(6) of the amending Act) by Greater London Authority Act 2007 (c. 24), **ss. 12(4)(c)**, 59(4); S.I. 2007/3107, **art. 3**
- F9** Words in s. 85(4)(b) substituted (3.12.2011) by Localism Act 2011 (c. 20), **ss. 76(4)(b)(i)**, 240(2); S.I. 2011/2896, art. 2(g)
- F10** Words in s. 85(4)(b) inserted (3.12.2011) by Localism Act 2011 (c. 20), **ss. 76(4)(b)(ii)**, 240(2); S.I. 2011/2896, art. 2(g)
- F11** Words in s. 85(4)(c) substituted (E.W.) (with effect in accordance with s. 59(6) of the amending Act) by Greater London Authority Act 2007 (c. 24), **ss. 12(5)**, 59(4); S.I. 2007/3107, **art. 3**
- F12** Words in s. 85(4)(d) substituted (E.W.) (with effect in accordance with s. 59(6) of the amending Act) by Greater London Authority Act 2007 (c. 24), **ss. 12(6)(a)**, 59(4); S.I. 2007/3107, **art. 3**
- F13** Words in s. 85(4)(d) substituted (E.W.) (with effect in accordance with s. 59(6) of the amending Act) by Greater London Authority Act 2007 (c. 24), **ss. 12(6)(b)**, 59(4); S.I. 2007/3107, **art. 3**
- F14** S. 85(5)(a) substituted (3.12.2011) by Localism Act 2011 (c. 20), **ss. 76(5)**, 240(2); S.I. 2011/2896, art. 2(g)
- F15** Words in s. 85(5)(b) substituted (E.W.) (with effect in accordance with s. 59(6) of the amending Act) by Greater London Authority Act 2007 (c. 24), **ss. 12(8)**, 59(4); S.I. 2007/3107, **art. 3**
- F16** Words in s. 85(6)(b) substituted (3.12.2011) by Localism Act 2011 (c. 20), **ss. 76(6)**, 240(2); S.I. 2011/2896, art. 2(g)
- F17** Words in s. 85(7) substituted (3.12.2011) by Localism Act 2011 (c. 20), **ss. 76(7)**, 240(2); S.I. 2011/2896, art. 2(g)
- F18** Words in s. 85(8) substituted (3.12.2011) by Localism Act 2011 (c. 20), **ss. 76(8)**, 240(2); S.I. 2011/2896, art. 2(g)
- F19** S. 85(9) repealed (3.12.2011) by Localism Act 2011 (c. 20), ss. 76(9), 240(2), **Sch. 25 Pt. 13**; S.I. 2011/2896, art. 2(g)
- F20** S. 85(10)-(15) inserted (E.W.) (with effect in accordance with s. 59(6) of the amending Act) by Greater London Authority Act 2007 (c. 24), **ss. 12(10)**, 59(4); S.I. 2007/3107, **art. 3**

Modifications etc. (not altering text)

- C1** S. 85 modified (E.) (5.2.2000) by S.I. 2000/213, **art. 6**
S. 85 modified (2.2.2001 with effect as mentioned in reg. 1(3) of the amending S.I.) by S.I. 2001/216, **reg. 6**
- C2** S. 85 modified (with application in accordance with reg. 1(3) of the amending S.I.) by The Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2006 (S.I. 2006/247), regs. 1(1), **6**
- C3** S. 85 modified (with application in accordance with reg. 1(2)(3) of the amending S.I.) by The Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2007 (S.I. 2007/227), regs. 1(1)(b), **7**
- C4** S. 85 modified (E.) (with application in accordance with reg. 1(3) of the amending S.I.) by The Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2008 (S.I. 2008/227), regs. 1(1)(b), **7**
- C5** S. 85 modified (E.) (with application in accordance with reg. 1(3) of the amending S.I.) by The Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2009 (S.I. 2009/206), regs. 1(1)(b), **7**
- C6** S. 85 modified (E.) (with application in accordance with reg. 1(3) of the amending S.I.) by The Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2010 (S.I. 2010/219), regs. 1(b), **7**
- C7** S. 85 modified (E.) (with application in accordance with reg. 1(3) of the amending S.I.) by The Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2011 (S.I. 2011/313), regs. 1(1)(b), **7**

Commencement Information

- II** S. 85 wholly in force at 12.1.2000; s. 85 not in force at Royal Assent see s. 425(2); s. 85 in force at 12.1.2000 by S.I. 1999/3434, **art. 2** (subject to transitional provisions in Sch. 1 Table 1)

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Marginal Citations

M1 1992 c. 14.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 334(2A)-(2E) substituted for s. 334(2)-(6) by [2023 c. 55 s. 95\(2\)](#)
- s. 334(9)-(11) inserted by [2023 c. 55 s. 95\(3\)](#)
- s. 337(1A) inserted by [2023 c. 55 s. 96\(1\)\(c\)](#)
- s. 337(2)(ca) inserted by [2023 c. 55 Sch. 6 para. 15](#)
- Sch. 23 para. 1(3A) inserted by [2023 c. 55 s. 244\(2\)](#)
- Sch. 23 para. 3A3B and cross-heading inserted by [2023 c. 55 s. 244\(3\)](#)
- Sch. 23 para. 4(2A)(2B) inserted by [2023 c. 55 s. 244\(4\)](#)
- Sch. 23 para. 4A and cross-heading inserted by [2023 c. 55 s. 244\(6\)](#)