

Greater London Authority Act 2007

2007 CHAPTER 24

PART 1

GENERAL FUNCTIONS OF THE AUTHORITY

Payments on loss of office

1 Payments on ceasing to hold office as Mayor or Assembly member

(1) After section 26 of the GLA Act 1999 (pensions) insert—

"26A Payments on ceasing to hold office

- (1) The Authority may establish and administer such schemes as it may from time to time determine for the making of payments to or in respect of persons on their ceasing to hold office as the Mayor or as an Assembly member.
- (2) The power conferred by subsection (1) above includes power to make different provision for different cases.
- (3) The Authority's functions under subsection (1) above are exercisable by the Mayor and the Assembly acting jointly on behalf of the Authority.
- (4) The standing orders of the Assembly must include provision for the publication of every determination under this section.
- (5) A determination under this section does not affect benefits in payment under this section before the making of the determination.".
- (2) In section 27 of the GLA Act 1999 (publication of information relating to sums paid under sections 24 and 26) for "and 26" substitute ", 26 and 26A".
- (3) In consequence of the amendments made by this section, the italic heading preceding section 24 of the GLA Act 1999 becomes "Salaries, expenses, pensions and other payments".

The Mayor's strategies

2 Consultation

- (1) In section 42 of the GLA Act 1999 (consultation) for subsection (5) (duty to consult Assembly and functional bodies first) substitute—
 - "(5) Section 42A below supplements subsection (1) above (but see subsection (6) below).".
- (2) After section 42 of the GLA Act 1999 insert-

"42A Consultation: supplementary provision

- (1) This section supplements section 42(1) above.
- (2) The Mayor must consult the Assembly and the functional bodies under section 42(1)(a) and (b) above before consulting other bodies or persons under section 42(1)(c) to (e) above.
- (3) The Mayor must have regard to any comments submitted to him in response by the Assembly or any of the functional bodies.
- (4) Before consulting under section 42(1)(c) to (e) above, the Mayor must—
 - (a) prepare a statement in accordance with the following provisions of this section, and
 - (b) submit that statement to the Chair of the Assembly.
- (5) The statement must—
 - (a) identify which of the comments submitted by the Assembly are accepted by the Mayor for implementation in the strategy, and
 - (b) set out the reasons why any comments so submitted are not so accepted.

(6) The statement must be in writing.".

(3) In section 376 of the GLA Act 1999 (the Mayor's culture strategy) in subsection (8)
(b) (which refers to section 42(5)) for "reference in subsection (5) of that section" substitute "references in subsections (2) and (3) of section 42A above".

The Assembly

3 The Mayor's periodic report to the Assembly

- (1) Section 45 of the GLA Act 1999 (the Mayor's periodic report to the Assembly) is amended as follows.
- (2) In subsection (1) (which requires the Mayor to submit a report at least three days before the first, and each monthly, meeting of the Assembly) for "three", in both places, substitute "5".

4 Confirmation hearings etc for certain appointments by the Mayor

(1) After section 60 of the GLA Act 1999 (general functions of the Assembly: proposals to the Mayor) insert—

"60A Confirmation hearings etc for certain appointments by the Mayor

- (1) Schedule 4A to this Act (confirmation hearings etc) has effect in any case where this section applies.
- (2) This section applies in any case where the Mayor proposes to make an appointment to any of the offices specified in subsection (3) below.
- (3) The offices are—

chairman, or deputy chairman, of Transport for London (see section 154 and paragraph 3 of Schedule 10);

chairman, or deputy chairman, of the London Development Agency (see section 2 of the Regional Development Agencies Act 1998, as amended by section 304 below);

chairman, or vice chairman, of the Metropolitan Police Authority (but see subsection (4) below);

chairman of the London Fire and Emergency Planning Authority (see section 328 and paragraph 3 of Schedule 28);

chair of the Cultural Strategy Group (see section 375 and paragraph 3 of Schedule 30);

chairman, or deputy chairman, of the London Pensions Fund Authority (see section 403).

- (4) Any reference in subsection (3) above to the chairman, or vice chairman, of the Metropolitan Police Authority has effect only in relation to appointments falling to be made after the function of making the appointment has become a function of the Mayor.
- (5) The Secretary of State may by order amend this section for the purpose of specifying further offices in subsection (3) above.
- (6) The Secretary of State must consult—
 - (a) the Mayor, and
 - (b) the Assembly,

before making an order under subsection (5) above.".

- (2) After Schedule 4 to the GLA Act 1999 insert the Schedule 4A set out in Schedule 1 to this Act.
- (3) In section 420 of the GLA Act 1999 (regulations and orders) in the list of provisions in subsection (8) (orders subject to negative resolution Parliamentary procedure) insert each of the following at the appropriate place—

"section 60A(5);";

"paragraph 8(2) of Schedule 4A;".

5 **Power to require attendance at Assembly meetings: time limits**

- (1) Section 61 of the GLA Act 1999 (power to require attendance at Assembly meetings) is amended as follows.
- (2) In each of the provisions specified in subsection (3) below (which describe persons who may be required to attend, and which mention a period of three years prior to the date of the requirement) for "three years" substitute "8 years".
- (3) The provisions are—
 - (a) subsection (2)(c) (chairman or member of functional body within that period);
 - (b) subsection (3)(a) and (b) (persons, or members or staff of bodies, that had contractual relationships with the Authority within that period);
 - (c) subsection (4)(a) and (b) (persons, or members or staff of bodies, that received grants from the Authority within that period);
 - (d) subsection (5)(b) and (c) (persons who have been Assembly members or Mayor within that period).

6 Annual report by the Assembly

After section 65 of the GLA Act 1999 insert—

"Annual report

65A Annual report by the Assembly

- (1) As soon as reasonably practicable after the end of each financial year the Assembly shall prepare a report on the exercise of its functions during the year (an "annual report").
- (2) An annual report shall include a statement of what the Assembly considers that it has achieved during the year.
- (3) As soon as reasonably practicable after preparing an annual report, the Assembly
 - (a) shall send a copy of the report to the Mayor, and
 - (b) when it has done that, shall publish the report.
- (4) A copy of the annual report sent to the Mayor shall be kept available for the appropriate period by the Assembly for inspection by any person on request free of charge at the principal offices of the Authority at reasonable hours.
- (5) A copy of the annual report sent to the Mayor, or any part of that report, shall be supplied to any person on request during the appropriate period for such reasonable fee as the Assembly may determine.
- (6) In this section "the appropriate period" in the case of an annual report is the period of six years beginning with the date of publication of that report pursuant to this section.".

Officers and staff

7 Staff appointed under section 67(2) of the GLA Act 1999

- (1) In section 67 of the GLA Act 1999 (appointment of staff) for subsection (2) substitute—
 - "(2) The head of the Authority's paid service, after consultation with the Mayor and the Assembly, and having regard, in particular, to—
 - (a) the resources available, and
 - (b) the priorities of the Authority,

may appoint such staff as he considers necessary for the proper discharge of the functions of the Authority.".

- (2) In section 70(2) of the GLA Act 1999 (terms and conditions of employment of persons appointed under section 67(2)) for "as the Assembly, after consultation with the Mayor, thinks fit" substitute "as the head of the Authority's paid service, after consultation with the Mayor and the Assembly, thinks fit".
- (3) In section 72(5)(a) of the GLA Act 1999 (head of paid service: discharge of duty as to provision of staff) for "shall be discharged by the Assembly" substitute "shall be discharged by the head of the Authority's paid service after consultation with the Mayor and the Assembly".
- (4) In section 73(5)(a) of the GLA Act 1999 (monitoring officer: discharge of duty as to provision of staff) for "shall be discharged by the Assembly" substitute "shall be discharged by the head of the Authority's paid service after consultation with the Mayor and the Assembly".
- (5) Where this section amends any provision relating to the appointment of a person as a member of the staff of the Authority, appointments made under that provision before the commencement day and in force on that day have effect on and after that day as if made under the provision as amended.
- (6) Where this section amends any provision relating to the terms and conditions of employment of any such person, the terms and conditions of employment of the person that are in force on the commencement day have effect on and after that day as if imposed under the provision as amended.
- (7) In this section "the commencement day" means the day on which the amendment in question comes into force.

8 Head of paid service

- (1) Section 72 of the GLA Act 1999 (head of paid service) is amended as follows.
- (2) For subsection (1) substitute—
 - "(1) The Mayor and the Assembly, acting jointly, shall appoint a person to be head of the Authority's paid service.
 - (1A) Section 4 of the Local Government and Housing Act 1989 (designation and reports of head of paid service) shall apply in relation to the Authority as if—
 - (a) the person appointed under subsection (1) above were a person designated under subsection (1)(a) of that section;

- (b) the Authority were a relevant authority for the purposes of that section; and
- (c) the Mayor and Assembly members were members of that authority.
- (1B) Any appointment under subsection (1) above is an appointment as an employee of the Authority and—
 - (a) section 7 of the Local Government and Housing Act 1989 (staff to be appointed on merit) shall apply in relation to any such appointment as if the Authority were a local authority;
 - (b) section 8 of that Act (duty to adopt standing orders with respect to staff) shall apply in relation to a person appointed under subsection (1) above as if the Authority were a relevant authority.
- (1C) The terms and conditions of employment of the person appointed under subsection (1) above (including conditions as to remuneration) are to be such as the Mayor and the Assembly acting jointly think fit.".

(3) For subsection (2) substitute—

"(2) A person must not at the same time be both—

- (a) the head of the Authority's paid service appointed under subsection (1) above, and
- (b) a member of staff appointed under section 67(1) above.".
- (4) In subsection (3) for "subsection (1)" substitute "subsection (1A)".
- (5) Omit subsection (4) (appointment).
- (6) After subsection (10) insert—
 - "(11) The head of the Authority's paid service may arrange for a member of staff of the Authority, other than a member of staff appointed under section 67(1)above, to exercise on his behalf any function exercisable by the head of paid service under section 67(2) or 70(2) above."
- (7) Where this section amends any provision relating to the appointment of a person as head of the Authority's paid service, any appointment made under the provision before the commencement day and in force on that day has effect on and after that day as if made under the provision as amended.
- (8) Where this section amends any provision relating to the terms and conditions of employment of any such person, the terms and conditions of employment of the person that are in force on the commencement day have effect on and after that day as if imposed under the provision as amended.
- (9) In this section "the commencement day" means the day on which the amendment in question comes into force.

9 Monitoring officer

- (1) Section 73 of the GLA Act 1999 (monitoring officer) is amended as follows.
- (2) For subsection (1) substitute—
 - "(1) The Mayor and the Assembly, acting jointly, shall appoint a person to be the Authority's monitoring officer.

- (1A) Section 5 of the Local Government and Housing Act 1989 (designation and reports of monitoring officer) shall apply in relation to the Authority as if—
 - (a) the person appointed under subsection (1) above were a person designated under subsection (1)(a) of that section;
 - (b) the Authority were a relevant authority for the purposes of that section; and
 - (c) the Mayor and Assembly members were members of that authority.
- (1B) Any appointment under subsection (1) above is an appointment as an employee of the Authority and—
 - (a) section 7 of the Local Government and Housing Act 1989 (staff to be appointed on merit) shall apply in relation to any such appointment as if the Authority were a local authority;
 - (b) section 8 of that Act (duty to adopt standing orders with respect to staff) shall apply in relation to a person appointed under subsection (1) above as if the Authority were a relevant authority.
- (1C) The terms and conditions of employment of the person appointed under subsection (1) above (including conditions as to remuneration) are to be such as the Mayor and the Assembly acting jointly think fit.".
- (3) For subsection (2) substitute—
 - "(2) A person must not at the same time be both—
 - (a) the Authority's monitoring officer appointed under subsection (1) above, and
 - (b) a member of staff appointed under section 67(1) above.".
- (4) In subsection (3) for "subsection (1)" substitute "subsection (1A)".
- (5) Omit subsection (4) (appointment).
- (6) Where this section amends any provision relating to the appointment of a person as the Authority's monitoring officer, any appointment made under the provision before the commencement day and in force on that day has effect on and after that day as if made under the provision as amended.
- (7) Where this section amends any provision relating to the terms and conditions of employment of any such person, the terms and conditions of employment of the person that are in force on the commencement day have effect on and after that day as if imposed under the provision as amended.
- (8) In this section "the commencement day" means the day on which the amendment in question comes into force.

10 Chief finance officer

- (1) In section 127 of the GLA Act 1999 (proper financial administration and chief finance officer) for subsections (5) and (6) substitute—
 - "(5) Section 127A below makes further provision with respect to the Authority's chief finance officer for the purposes of subsection (2)(b) above.".
- (2) After section 127 insert—

"127A Chief finance officer of the Authority

- (1) The Mayor and the Assembly, acting jointly, shall appoint a person to be the chief finance officer of the Authority.
- (2) Any appointment under subsection (1) above is an appointment as an employee of the Authority and—
 - (a) section 7 of the Local Government and Housing Act 1989 (staff to be appointed on merit) shall apply in relation to any such appointment as if the Authority were a local authority;
 - (b) section 8 of that Act (duty to adopt standing orders with respect to staff) shall apply in relation to a person appointed under subsection (1) above as if the Authority were a relevant authority.
- (3) The terms and conditions of employment of the person appointed under subsection (1) above (including conditions as to remuneration) are to be such as the Mayor and the Assembly acting jointly think fit.
- (4) A person must not at the same time be both—
 - (a) the Authority's chief finance officer appointed under subsection (1) above, and
 - (b) a member of staff appointed under section 67(1) above.".
- (3) Where this section amends any provision relating to the appointment of a person as the chief finance officer of the Authority, any such appointment made before the commencement day and in force on that day has effect on and after that day as if made under the provision as amended.
- (4) Where this section amends any provision relating to the terms and conditions of employment of any such person, the terms and conditions of employment of the person that are in force on the commencement day have effect on and after that day as if imposed under the provision as amended.
- (5) In this section "the commencement day" means the day on which the amendment in question comes into force.

11 Amendments consequential on sections 8 to 10

- (1) The GLA Act 1999 is amended as follows.
- (2) In section 45(6) (exemption from requirement to answer questions) after "section 67(1) or (2)" insert ", 72(1), 73(1) or 127A(1)".
- (3) In section 61(10) (exemption from requirement to disclose evidence or documents) after "section 67(1) or (2)" insert ", 72(1), 73(1) or 127A(1)".
- (4) In section 359(2)(a) (confidential information about waste contracts) after "section 67(1) or (2)" insert ", 72(1), 73(1) or 127A(1)".
- (5) In section 404(1) (duty not to discriminate)—
 - (a) after "it shall be the duty of" insert "(and of any body or person acting for or on behalf of) any of the following";
 - (b) in paragraph (a), omit "(whether acting by the Mayor, the Assembly or the Mayor and Assembly jointly)";

- (c) omit "and" at the end of paragraph (b).
- (6) In section 424(1) (interpretation), in the definition of "member of staff", after "section 67(1) or (2)" insert ", 72(1), 73(1) or 127A(1)".

The annual budget

12 Separate component budgets for Assembly and Mayor

- (1) Section 85 of the GLA Act 1999 (calculation of component budget requirements) is amended as follows.
- (2) In subsection (3) (which identifies the constituent bodies) for paragraph (a) (the Authority) substitute—
 - "(a) the Assembly,
 - (aa) the Mayor, and".
- (3) After subsection (3) insert—

"(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,

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) In subsection (4)(a) (expenditure of constituent bodies)—
 - (a) for "the body will incur" substitute "will be incurred by the body",
 - (b) for "will charge" substitute "will be charged",
 - (c) at the end insert "(but, in the case of the Mayor or the Assembly, see also subsections (10) to (13))".
- (5) In subsection (4)(c) (financial reserves of constituent bodies) for "appropriate for the body to raise" substitute "appropriate to be raised by or in respect of the body".
- (6) In subsection (4)(d) (financial reserves to meet revenue account deficit of earlier year not provided for)—
 - (a) for "the body's financial reserves" substitute "the financial reserves of, or in respect of, the body",
 - (b) for "revenue account deficit of the body" substitute "revenue account deficit of or in respect of the body".
- (7) In subsection (5)(a) (sums payable to constituent bodies) after "payable to" insert "or for".
- (8) In subsection (5)(b) (financial reserves likely to be used by constituent bodies) for "that the body will use" substitute "will be used by or in respect of the body".
- (9) In subsection (9) (expanded meaning of expenditure incurred by a body in a financial year)—

- (a) in paragraph (a) (money set aside to meet credit liabilities) for "set aside by the body" substitute "set aside by or in respect of the body",
- (b) in paragraph (b) (money set aside as provision for certain liabilities or losses) for "by the body" substitute "by or in respect of the body".

(10) After subsection (9) insert—

- "(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 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.".
- (11) Section 86 (provisions supplemental to section 85) is amended as follows.
- (12) In subsection (1) (amounts not to be brought into account in relation to the Authority if brought into account in relation to functional body)—
 - (a) for "the Authority" substitute "the Mayor or the Assembly",
 - (b) after "in its application in relation to" insert "the other of them or".
- (13) After subsection (2) (treatment of levies issued to constituent bodies) insert—
 - "(2A) For the purposes of subsection (2) above, any levy issued to the Authority shall be treated as a levy issued to the Mayor.".
- (14) In subsection (4) (body's estimated future expenditure for section 85(4)(c)) in paragraph (a)—
 - (a) for "the body will incur" substitute "will be incurred by",
 - (b) for "will charge" substitute "will be charged",
 - (c) for "will have to defray" substitute "will have to be defrayed",
 - (d) in sub-paragraph (i), for "payable to it" substitute "payable to or for it",

and in paragraph (b), for "the body will incur" substitute "will be incurred by".

(15) In section 99 (interpretation of Chapter 1 of Part 3) insert the following definition at the appropriate place—

""budgetary provisions" has the meaning given in section 85(14) above;".

- (16) In section 424(1) (general definitions)—
 - (a) in the definition of "the Assembly" insert at the end "(but see also section 85(3A) above)";
 - (b) in the definition of "the Mayor" insert at the end "(but see also section 85(3A) above)".

13 Procedure for determining Authority's consolidated budget requirement

- (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—

"Limit on Assembly's powers to amend Mayor's draft budget for the Assembly

- 5A (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.
- (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—

"Limit on Assembly's power to amend Mayor's final draft budget for the Assembly"

- 8A (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.

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.".

14 Substitute calculations

- (1) Schedule 7 to the GLA Act 1999 (procedure for making of substitute calculations by the Authority) is amended as follows.
- (2) After paragraph 4 (Assembly consideration of Mayor's first draft) insert—

"Limit on Assembly's powers to amend Mayor's first draft budget for the Assembly

- 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 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 first 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 first draft component budget requirement for the Assembly, after implementing the amendments,

exceeds

- (b) the adjusted previous component budget 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 budget requirement for the Assembly as follows.
- (6) Find NM and OM, where—

NM is the first draft component budget requirement for the Mayor, before implementing any amendments under paragraph 4(3) above; OM is the component budget 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 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 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.

- (9) 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.
- (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 budget requirement" for any constituent body is the component budget requirement for the body as stated in the first draft component budget for the body.".
- (3) After paragraph 7 (approval of Mayor's final draft by Assembly) insert—

"Limit on Assembly's power to amend Mayor's final draft budget for the Assembly

- 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 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 (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 budget requirement for the Assembly as follows.
- (6) Find NM and OM, where—

NM is the final draft component budget requirement for the Mayor, before implementing any amendments under paragraph 7(3) above; OM is the component budget 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 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 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.

- (9) 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.
- (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 the "final draft component budget requirement" for any constituent body is the component budget requirement for that body as stated in the final draft.".

15 Deemed component budget requirements for last old financial year

- (1) This section has effect for the purpose of implementing Schedules 6 and 7 to the GLA Act 1999 in the first new financial year.
- (2) The Authority's chief finance officer must for that purpose designate for the last old financial year amounts which are respectively to be regarded as—
 - (a) the component budget requirement for the Mayor for that year, and
 - (b) the component budget requirement for the Assembly for that year.
- (3) The chief finance officer must consult the Mayor and the Assembly before making any such designation.
- (4) The chief finance officer must make the designations required by this section no later than 31st December in the last old financial year.
- (5) For the purposes of this section—

"the first new financial year" is the first financial year in relation to which paragraph 5A or 8A of Schedule 6 to the GLA Act 1999 (see section 13) has effect;

"the last old financial year" is the financial year immediately preceding the first new financial year.

16 Exercise of Mayor's functions when temporarily unable to act

- (1) Part 3 of Schedule 4 to the GLA Act 1999 (exercise of functions when Mayor temporarily unable to act etc) is amended as follows.
- (2) In paragraph 15(1) (exceptions to rule that Deputy Mayor is to exercise Mayor's functions) omit paragraph (a) (functions under Schedule 6 or 7).
- (3) For paragraph 16 (setting the budget during the period) substitute—
 - "16 If and so long as any functions of the Mayor under Schedule 6 or 7 to this Act are exercisable by the Deputy Mayor pursuant to paragraph 14 above, the Deputy Mayor shall not act as an Assembly member in relation to any functions of the Assembly under either of those Schedules.".
- (4) Paragraph 18 (exercise of Deputy Mayor's functions by Chair) is amended as follows.

- (5) In sub-paragraph (2)(a) (which provides for paragraphs 14 and 15 to have effect with the substitution of references to the Chair of the Assembly) after "Chair of the Assembly" insert "(but see sub-paragraph (2A) below)".
- (6) After sub-paragraph (2) insert—
 - "(2A) The Chair of the Assembly shall not by virtue of sub-paragraph (2)(a) above exercise any functions of the Mayor under Schedule 6 or 7 to this Act.".