



# Greater London Authority Act 2007

## 2007 CHAPTER 24

### PART 1

#### GENERAL FUNCTIONS OF THE AUTHORITY

##### *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)) ”.

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*Changes to legislation: There are currently no known outstanding effects for the Greater London Authority Act 2007, Section 12. (See end of Document for details)*

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- (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.

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(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) ”.

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#### **Commencement Information**

**II** S. 12 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 12.