

## London Assembly (Plenary) - 28 January 2015

### Transcript of Agenda Item 3a – Draft Consolidated Budget 2015/16 – Report of the Mayor

**Roger Evans AM (Chairman):** Item 3 is the draft consolidated budget. Let me explain to colleagues how this is going to work, in case you have forgotten since last year. First, I will ask the Mayor to present his draft budget and he will have ten minutes or less in which to do that. I would like to stick to time if possible today because we have a long meeting ahead of us. Following that presentation I will ask Mr Biggs, who is the Chair of the Budget and Performance Committee, to respond and he will have five minutes. Then I will take questions from Members. The question and answer session will last for two hours with time divided in the normal way between groups, each group taking a lead on different sections, apart from the Green group who have waived their right to do that. Therefore, without further ado can I ask the Mayor to present his budget?

**Boris Johnson (Mayor of London):** Thank you very much, Roger.

I am pleased to present the budget that I think will lengthen London's lead as the greatest city on Earth, while continuing to widen opportunity, look after the poorest and the neediest in our city and allow us to continue with successful policies to cut crime, as we have by 17% in the last six years; to improve the quality of life by planting many more trees, improving green spaces; introducing Further Alterations to the London Plan to create new opportunity areas in Harrow, Bromley, along the Old Kent Road and Canada Water, and the wholesale transformation of Old Oak Common, which I think has been an important step and has just been concluded today, where Crossrail and High Speed 2 (HS2) will together combine to create the equivalent of a new Canary Wharf to the west; new housing zones to boost housing supply; an emphasis on the growing tech and life sciences cluster and, of course, enabling us to drive forward the scientific, cultural, higher education quarter that is being developed on the old Olympic site at Stratford - the Olympicopolis - and you will have heard in the last couple of days about University College London, the Victoria and Albert Museum, Sadler's Wells, the University of the Arts and now the great US institution, the Smithsonian Museum, is coming to London to build their first international branch here in our city; a great achievement for London.

We are doing all these things while simultaneously cutting waste across Greater London Authority (GLA) budgets, reducing the unnecessary expenditure and driving down Council Tax. As my friends on the Conservative side will remember, the last Mayor put up Council Tax by 152% in his time in office. We are cutting it in real terms by 28% already and, over the life of this mayoralty, there will be a 40% real term cut in Council Tax. We are determined simultaneously to protect the poorest and the most vulnerable Londoners, expanding the London Living Wage (LLW), as we have: now 429 accredited employers, £60 million has gone into the pockets of some of the poorest and neediest families in London. We have frozen transport fares in real terms for the second year running, continuing to give concessions, the Freedom Pass for everybody over 60, including in the morning peak, introducing travel concessions for apprentices as well as for students, free travel for disabled war veterans and armed services personnel in uniform and, of course, extending travel discounts to people seeking work.

We have just introduced an innovative social supermarket, which provides considerable help to people on low incomes to get food they can afford. We are driving ahead with the - and I use the word "driving" advisedly, driving in a low carbon kind of way - implementation of the world's first Ultra Low Emissions Zone (ULEZ) to improve air quality and to stop the horrific toll of 4,300 Londoners who die every year as a result of excess air

pollution in our city, and we are continuing with funding for homeless veterans schemes. I pay tribute to the work of GLA Conservatives, Gareth Bacon and others, who have championed that important work.

This investment in the poorest and most vulnerable is of course supported by what we are doing to help children and young people across the GLA group in education, through the grassroots sports initiative, through attacking health inequalities, through supporting volunteering, through the police cadets which are now at an all time high - I think 3,200 - fantastic work by everybody in the Metropolitan Police Service (MPS) on that, and many other initiatives.

You will know that it is only by encouraging wealth creation in London and a pro-business attitude that we will generate the revenues that any great society will always need to help the poorest and the most vulnerable, and that is why I reject some of what has been proposed by the Labour Party: the imposition upon London of a swingeing property tax which would hit families who cannot afford to pay that kind of money. I do not know how strongly it is supported. I notice that no Labour mayoral candidates seem to support it. I have yet to hear the views of the Labour London Assembly Members.

I reject a return to the failed old policies of high taxes and high spending, just when the economy is starting to turn around: unemployment in the last year in London fell by 82,000. The number of people in work has risen by 90,000. The total number of jobs in London has increased by 307,000. We now have 5.58 million people working in London, which is an all-time high, NEETs (not in employment, education or training) are at an all time low or the lowest for 25 years and we are indeed on track to create - as I promised in 2012 - 200,000 jobs through the implementation of our programmes.

We want young Londoners to get those jobs. To that end, we are helping to drive up standards in schools, to encourage the provision of more school places in London - and members of the Assembly will be familiar with our plans there - and to boost apprenticeships. It has been a very successful campaign. We are up now to about 170,000 over the lifetime of the mayoralty, just since this mayoral term began in 2012. We have helped 95,310 people to become apprentices. Clearly, as the economy starts to get going, it will become harder to get young people into apprenticeships when they are naturally starting to find work, but we are continuing with that campaign full throttle.

The London economy is forecast to grow faster than virtually any other region in Europe, and now represents - as Members of the Assembly will know - about 22%, perhaps 26%, of UK Gross Domestic Product. In order to cope with that growth we have to keep investing in transport infrastructure, and I am very pleased that I am able to tell you that capital investment under this mayoralty is now up by £250,000 at £5.3 billion in 2015/16, excluding the borrowing for Crossrail. In spite of all these investments, which are enabling us to do Crossrail, the Northern Line Extension, the £150 million investment programme in step-free access, increasing the bus network by 5%, putting £4 billion into our road network - and it thoroughly needs it - going ahead with a Night Tube and Crossrail 2 and new bridges and the extension of the Tube, we are able to do all those things and simultaneously produce a fare package that I think represents very good value for London, holding down fares to the Retail Prices Index (RPI) in January 2015 without compromising delivery. For the first time we are taking over most of the commuter rail services operating out of Liverpool Street station. Enfield Town, Cheshunt and Chingford will become part of the London Overground, as will the Romford-Upminster branch line, and the services currently running to Shenfield in Essex will become part of the new Crossrail service. Obviously we are going to continue to lobby for the further devolution of those rail services and those authorities to London, and I think that is something that is widely supported in the Assembly.

I thank the Assembly additionally for the support you have given in the matter of fiscal devolution. This is a campaign that is gaining ground. We asked for that devolution, along with every other major city in Britain,

not because we want more power taken away from central government but because we think great cities should be able to plan and budget for the investments that they need.

I single out, of course, our programme of housing delivery. It is vitally important; perhaps the single most important issue now for Londoners. This budget contains plans for the delivery of at least 15,000 affordable homes a year between 2015 - 2018. The expansion of the First Steps programme to help people get a share of the value of their property so that the London property market is not reserved just for oligarchs. Funds of £200 million for the London Housing Bank (LHB) to speed up building on large sites and new housing zones attracting the smaller house builders back into the market, and we are making great progress.

My friends - I use that word advisedly - national house building council figures show that more homes were registered last year than at any point since electronic records began 26 years ago - up 60% compared to 2012 - and we will achieve our goal, set out at the beginning of this mayoralty, to deliver 100,000 new affordable homes for Londoners over this term of office.

London's population, as Members of the Assembly will know, is growing faster than at any time in its history. Next week, according to the Further Alterations of the London Plan (FALP) - and I will wind up now, Roger - we will pass 8.6 million for the first time since 1939. To deal with that economic growth, to manage it in a sustainable, sensitive, environmentally friendly for the benefit of everybody in London, I believe we must stick with the course we have set out today. This budget will take forward the greatest city on earth, and I commend it to the Assembly. Thank you very much.

**Tony Arbour AM:** Hear, hear.

**Boris Johnson (Mayor of London):** I am grateful for that ripple of applause. Just for the benefit of the BBC, it did not cut --

**Jenny Jones AM:** He is your mayor.

**Roger Evans AM (Chairman):** Thank you. Can I now invite Mr Biggs to present the report of the Budget and Performance Committee? You have five minutes.

**John Biggs AM:** Thank you, Chair, and I will do this from a sedentary position for a change. For those who are wondering what my role is here, I am a Labour budget spokesman but my job here is to speak on behalf of the Cross-Party Budget Committee on our scrutiny of the Mayor's budget, and so I will try to be pretty consensual and all of our reports have been consensual on that. I would commend to Members our pre-budget report and our response to the Mayor's consultation. The context of this is that when we speak to our borough leaders across London we find that City Hall has, up until now, got off relatively lightly when you look at some of the scales and cuts that local authorities have faced. In the current year the ratchet is tightening and, for example, the police service needs to find year-on-year roughly £200 million of savings. We have had to scrutinise and understand how that will be managed. Yesterday I think the Police Federation was talking about the great concern of their members about the effectiveness of policing as this pressure is borne.

The Mayor is very much committed to his target of 32,000 officers. We have queried him on that and the sustainability of it. We note that police are being abstracted for further anti-terrorism work and we have to continue to scrutinise and understand the extent to which London's policing can be sustained at its current levels, and the next mayor will have to grapple with this in a more substantial way.

There have been lots of closures of police and fire stations in London and there have been disposals as a result of that. One of our recommendations is that the Mayor needs to put together a framework so that London

can work consistently on disposals. I think the current hot topical issue is about the Southwick Fire Station, which is going to achieve a fairly substantial **cash**(?) on receipts, but the Mayor wants it to be disposed below market value for a free school. He has the right to do that but we need to get the context and policy framework right for that.

Moving on to the MPS. The MPS is banking on massive investments in information technology(IT). There are already some concerns about the ability of the MPS to keep to that programme, but it does need to keep to that programme because the savings generated through that will help to maintain the resources for frontline policing. In the current year we will have to look at the intentions to outsource services in the MPS because, again, that is required under the Mayor's programme to achieve the savings to protect frontline policing. We need to look at that in the context of other experiences in the UK of outsourcing and their effectiveness.

Moving on quickly to housing. The disposal of buildings by the Mayor and the GLA family have been pretty good in terms of values, but of course the values of land mean that the delivery of housing is a lot tougher in London. It is becoming more expensive to deliver affordable housing. I think many Londoners would question even the use of the word "affordable" for some of the products that are on offer, which are certainly accessible to some but many Londoners are frozen out by those levels of cost. The Mayor expects to build roughly 18,000 affordable homes this year under his definition. However, next year only 4,300 are targeted to be built and we want to cross-examine that.

I note in today's *Times* there is a pipeline of 54,000 properties in London which could be sold above £1 million, and yet only 4,000 such properties were sold last year. That does question whether there is a balance in the right place on the market provision and the demand for housing in London.

On apprenticeships, the Mayor has spoken about that. The Committee does wonder whether his explanation - that so many people are in work that they do not need apprenticeships - is quite accurate and we will want to examine that further.

Regeneration: the abolition of the London Development Agency (LDA). Many of us supported the abolition of the LDA, given previous events but the absence of it and its resources is becoming more obvious, and Transport for London (TfL) is appearing to be increasingly used for regeneration-type activities and we need to look at what is going to happen when the Local Enterprise Partnership (LEP) develops in the current year and whether its resources are sufficient.

Moving on very quickly again to transport - this is a canter. I get five minutes, the Mayor gets ten. This is outrageous. Going back on this point about the TfL becoming the Mayor's piggybank for other things in London. The investment in the Garden Bridge. We can walk on it so, therefore, it is clearly in some capacity a transport piece of infrastructure but I think most of us would question whether fare payers, who are under pressure with their fare rises, consider it to be reasonable that they should be expected to pay for something that is a bit optional as an extra.

Moving on again to fares: a 40% increase in fares over the Mayor's terms of office. Again we welcome the Mayor's concession that he is going to go away and look again at the pay-as-you go cap and the effect that this has on outer London travellers. It is a concern for many of our constituents.

Finally, on transparency, we are please at the progress with transparency. There is, however, some way to go. London & Partners, for example. We are going to grant them money over the next month, but they will not publish the business plan on which this is based until after the budget is effectively agreed, and so we are not able to understand what we are getting for the money. That is not adequate governance and we welcome the Mayor's movement on that.

Finally then, I shall thank my colleagues on the Committee. There is a lot more work to be done to make sure we are more transparent, more accountable and a better value for money authority but we have worked consensually and, although we are going to have the wham-bam of traditional politics now, can I thank my colleagues for the work they have done in the past year, which I think has added value to the way in which we do our job at City Hall. Thank you.

**Roger Evans AM (Chairman):** Thank you. Thank you for that contribution, Mr Biggs. If you want ten minutes in future all you have to do is get yourself (Overspeaking)

**Boris Johnson (Mayor of London):** Yes, well, there is a thought.

**Roger Evans AM (Chairman):** Of course. If you want ten minutes next time you just need to get yourself elected.

**Boris Johnson (Mayor of London):** Yes, yes, yes.

**Roger Evans AM (Chairman):** We will now take questions.

**Boris Johnson (Mayor of London):** Biggsey; Biggsey.

**Roger Evans AM (Chairman):** We are going to take these in sections. The first section of the budget. We are going to look at is the Mayor of London's budget, what happens in this building. The lead question is with the Conservative group. I believe, Mr Bacon, you have this so the floor is yours.

**Gareth Bacon AM:** Yes, thank you very much, Chairman. Mr Mayor, in your opening remarks you talked about housing delivery being vital and also various programmes designed to attract more small builders into the market. The Conservatives agree with you, I am sure you are relieved to know. Your administration has also indicated a desire to make better use of public land. With that in mind, I am sure you are familiar with the excellent report that my colleague Steve O'Connell wrote and sent to you some time ago, which is about the creation of a self-build fund and this forms part of our amendment to your budget today. Will you commit to consider that? What we are looking for is around a £2.5 million investment to kick start that on a pilot basis, to use public land as a way of providing cheaper housing.

**Boris Johnson (Mayor of London):** I do not want to absolutely guarantee the money this morning, Gareth, but we are certainly very interested in this and I have asked our housing people to see what we can do to support it. I am grateful, both to you and to Steve, for the idea. I think if we can kick start -- one of the disasters of the crash in 2008 was that it killed off so many small builders and rocked the confidence of the housing market so badly, and it was left only to a very few big builders, many of whom were under water. That was the problem that we faced. I think if we can restore a lively culture of small construction companies, including self-build, that will be all to the good.

**Gareth Bacon AM:** Can I thank you for the commitment to discuss that with us, Mr Mayor. It is very much appreciated. One further thing I would ask from you at this stage. Street markets: you will be familiar with this other excellent report written by a member of the group that I will not mention. Street markets in London's economy can provide a vital function, culturally and economically primarily. The value of streets markets is estimated at £1.7 for every pound that is spent in a street market goes into the local economy. One of the things that we are also going to be asking you for is for you to extend your High Streets Fund by £1 million, but that £1 million to be ring-fenced for market provision. Is it something you will commit to consider alongside (Overspeaking)

**Boris Johnson (Mayor of London):** I will certainly be very happy to consider it. I would commend to you, Gareth, the study of the work of the Outer London Fund and the High Street Fund. They have done most extraordinary stuff there. I had a presentation on it just a couple of days ago and there are many, many wonderful schemes around this city that the GLA is supporting and that we can take some pride in: improving shop fronts; improving the liveability of the area across the city. Some great things are being done and, as far as I can remember, the last time we discussed this -- I think the statistics for street markets are very interesting. I think counterintuitively, they show that there has been an increase in the number of street markets in spite of the colossal dominance of large town shopping centres and the big supermarkets, which proves to me their attractiveness to Londoners.

**Gareth Bacon AM:** That last point I agree with completely. There has been an increase in private street markets but public ones are on the decline.

**Boris Johnson (Mayor of London):** I am with you.

**Gareth Bacon AM:** That is what we are seeking to arrest.

The final question I want to ask you, Mr Mayor, is to confirm - because there has been some doubt cast over whether or not this is achievable, and I think you did cover it in your earlier remarks - you are on course to achieve what people said could not be achieved, which is a 10% cut in the precepts over your second term?

**Boris Johnson (Mayor of London):** Yes, and I would remind you of the horror of the Labour administration, which preceded this. I do not want to exaggerate but they did put up Council Tax very substantially - 152% - an increase in real terms of 130% during the last Labour mayoralty. We are announcing clear plans to continue to reduce Council Tax by 10% by the end of this term.

**Gareth Bacon AM:** Thank you, Mr Mayor. Thank you, Chairman.

**Boris Johnson (Mayor of London):** Which will be a real terms overall reduction of 40%.

**Roger Evans AM (Chairman):** Thank you, Mr Mayor. Assembly Member, Knight.

**Stephen Knight AM:** Thank you, Chair. Mr Mayor, you previously described the shortage of affordable housing in our city as "the gravest crisis facing our city", and --

**Boris Johnson (Mayor of London):** Yes, and I think I said that this morning too.

**Stephen Knight AM:** I think we would all agree with that and, of course, if something is the gravest crisis then it requires us to find bold solutions to that crisis, and I think you have previously said that would London needs is a stream of revenue against which it can borrow to start addressing the shortage of affordable housing.

**Boris Johnson (Mayor of London):** That is absolutely right.

**Stephen Knight AM:** But, Mr Mayor, what we see in your plans is to cut the precept - not just this year but over the next three years - if one were to instead freeze the precept over the next three years, in effect one would be creating a stream of revenue close to £100 million a year by 2017. That would effectively be converting the current Olympic precept into an affordable housing precept. Mr Mayor, that kind of level of revenue stream would enable you to borrow £2 billion to spend on affordable housing. That would make a

huge contribution, would it not, Mr Mayor, to addressing London's affordable housing crisis and this must be a priority for any incumbent of your office? Could you please look at this? Rather than cutting the precept, addressing London's affordable housing crisis must be a priority, is it not, Mr Mayor?

**Boris Johnson (Mayor of London):** Do not forget that we have a £1.25 billion package to support the delivery of at least 42,000 homes between 2015 - 2018, and that is an increase in the overall affordable housing delivery compared to the 2011 - 2015 run, so we are making progress. Obviously - as I will think of all the Assembly's proposals and amendments - I will study what you have to say. I do not think it should in any way divert us from our principal objective, which is securing devolution of fiscal powers to London to enable us to borrow more sustainably and to deliver the kind of numbers that we are talking about. I think that the case for giving London more financial stability and certainty is overwhelming. I am not convinced that we need to do it in that particular way.

**Stephen Knight AM:** Thank you, Mr Mayor. I hope you will consider this. Clearly, the Treasury has rejected the idea of devolving stamp duty, sadly. This might be a solution that creates a revenue stream against which you can more than double your housing programme over the next few years, so please do look at it, but I will leave it at that, Chair.

**Boris Johnson (Mayor of London):** I am not certain that we would be allowed to borrow in that way. As I say, I will certainly look at it. What we need to do generally - and I know that Assembly Member [Tom] Copley repeatedly brings this up, and quite rightly - is to give councils and local government generally the ability to borrow more flexibly in order to increase housing output.

**Roger Evans AM (Chairman):** Assembly Member Twycross.

**Fiona Twycross AM:** Thank you. I want to talk a bit more on your failure for a group that you mentioned several times in your opening remarks but are singularly failing to support, which is the poorest and most vulnerable Londoners. Because of your failure to address poverty in London effectively, particularly in work poverty, I have a bit of a problem taking your budget seriously because the truth is it is more illusion and spin from the Mayor who talks a good talk and writes a good press release but the fact is that you are still overseeing an annual increase in the rate that is paid in the LLW, while the number of people who are paid below the LLW is increasing both as a proportion and as an actual number.

**Boris Johnson (Mayor of London):** That is a logical inevitability, given the massive expansion in the number of people in work.

**Fiona Twycross AM:** But the proportion is increasing as well.

**Boris Johnson (Mayor of London):** What most people would --

**Fiona Twycross AM:** The proportion is increasing is well so I think that -- you might argue that point but the proportion and the --

**Boris Johnson (Mayor of London):** I might well, yes.

**Fiona Twycross AM:** -- actual number of people paid below the LLW is increasing. The truth is, while you have been mayor --

**Boris Johnson (Mayor of London):** I think most reasonable people --

**Fiona Twycross AM:** Most reasonable people would agree with me, to be honest.

**Boris Johnson (Mayor of London):** No, they would not. No they would not.

**Fiona Twycross AM:** The truth is and this is from information you provided me --

**Boris Johnson (Mayor of London):** Most reasonable people would think you were talking out of the back of your neck.

**Fiona Twycross AM:** -- in written answers that real terms average pay in London is £15 a week less than when you were elected, and both the total number and proportion of jobs paying less than the LLW has risen each year since 2010. What are you doing in this budget to reverse this miserable trend?

**Boris Johnson (Mayor of London):** I think you are talking - if I may say so - through the back of your neck because, as I pointed out earlier, the number of firms that were paying the LLW when I arrived in office was, what? Twenty-eight. It is now 429. There has been a massive increase in the number of people who are receiving the LLW. Clearly that is not fast enough or good enough but it is, believe me, infinitely exponentially faster than we saw under the previous administration.

**Fiona Twycross AM:** What are you going to do over the next year?

**Boris Johnson (Mayor of London):** What I am doing - and I share your campaigning energy on this, Fiona - I believe that the LLW is a fine and right thing for companies to pay. It is the right thing for governments and for local authorities to pay, including that of Doncaster - it pops into my head - which is the seat of the Labour (Overspeaking)

**Fiona Twycross AM:** We are not talking about places outside London. We are talking about what is happening here.

**Boris Johnson (Mayor of London):** I think it is the right thing -- it is the right thing -- it is the right thing to do.

**Fiona Twycross AM:** Would you commit --

**Boris Johnson (Mayor of London):** What is happening here is a massive expansion of the London LLW, which the Conservatives have driven --

**Fiona Twycross AM:** Would you commit to signing up a supermarket, for example? Will you commit to signing up a supermarket this year?

**Boris Johnson (Mayor of London):** -- and we are in constant negotiation with the big retailers. We have had success now in bringing big London cleaning firms into paying the LLW, which nobody thought possible before, and Chelsea Football Club --

**Fiona Twycross AM:** This is not about football clubs. This is about businesses with large numbers of people.

**Boris Johnson (Mayor of London):** I am sorry, this is about people on low incomes.

**James Cleverly AM:** Shouting.



**Fiona Twycross AM:** Sorry, sorry, I am not shouting. He is shouting. He is talking me down.

**Boris Johnson (Mayor of London):** This is about people on low incomes; this is about people on low incomes who are now receiving the benefit of the LLW where they did not get it before. We are making progress and I think --

**Fiona Twycross AM:** This is welcome; it is really welcome, but the big difference --

**Boris Johnson (Mayor of London):** I am glad you welcome it.

**Fiona Twycross AM:** The big difference that would be made, if you managed to sign up big supermarkets who are both making profits on the back of their workers and the people, their customers, who are effectively paying twice because they are also subsidising it in taxes.

**Boris Johnson (Mayor of London):** I completely agree with you. I think that it is ridiculous that the taxpayer is effectively subsidising low pay through in-work benefits, when companies that can well afford the LLW could pay and are not paying.

**Fiona Twycross AM:** So when we come back next year will you have signed one of them up?

**Boris Johnson (Mayor of London):** I have had repeated conversations with the chief executives, with the leaders of the big supermarkets in London. We are making huge progress with one big name. I cannot make any guarantees but we are optimistic that you will see progress on that.

**Fiona Twycross AM:** That would be welcome because at the moment too many Londoners are suffering as a result.

**Boris Johnson (Mayor of London):** What I believe in fervently is expanding this programme but you cannot do it in such a way -- £9.15 is higher than the national minimum wage as you know - considerably higher than the national minimum wage - and I think it would be wrong to try to impose it in a draconian and uniform way across London. We need to evangelise. We need to campaign. We need to build a movement, and it is building and I am grateful for your support.

**Fiona Twycross AM:** OK. Thank you.

**Roger Evans AM (Chairman):** Assembly Member Jones?

**Jenny Jones AM:** Thank you, Chair. Mr Mayor, I wondered if you have had a chance to look at my proposal for a solar photovoltaic delivery unit for London, because it would do a lot of things that you are talking about. It is investment, and you talk about sustainability. It would save the GLA group some money because, at the moment, it is eight years' payback on photovoltaics and it is falling. It would save schools money and something like 90% of the schools in London are missing out. Of course it would be, I think, a nice little memorial for you - perhaps "memorial" is not the right word - for your mayoralty.

**Boris Johnson (Mayor of London):** You are very kind and, look, I am a believer in solar and I think that it is a great way forward. I think the technology is now changing fast and there may be much more scope for generating solar power in London than we had previously thought. Yes, that is indeed something that the environment team are looking at very closely. Whether or not we need a discrete solar delivery unit, I cannot say. I will consult the great Matthew Pencharz [Senior Advisor - Environment & Energy - GLA] and his team and see whether that would be an effective way forward. I know that one thing that we have been studying with interest is the solar roads scheme that they have going in some parts of America. Whether the weather is

quite good enough in London to deliver solar power from our roads I cannot say with authority, but we should definitely be looking at all this stuff.

**Jenny Jones AM:** You do have some money in your budget at the moment, which is unallocated. It is about £500,000 and my proposal would only cost about £200,000. I know this is a decision that is going to be made in year, so I would recommend that you look very closely. I think it is a great scheme.

**Boris Johnson (Mayor of London):** I am very interested that you should propose that positive, concrete, solid proposal. It is the sort of thing you expect from the Green Party, which I think is emerging, by common consent, as the most credible left wing party in this country.

**Jenny Jones AM:** Thank you. Very nice, their leaflets. Thank you.

**Darren Johnson AM:** Do you want a clap?

**Roger Evans AM (Chairman):** Dr Sahota?

**Dr Onkar Sahota AM:** Mr Mayor, forgive me if I have overlooked this section in your budget. How much have you set aside to reduce the health inequalities in London? I could not make it out from your budget.

**Boris Johnson (Mayor of London):** As you know, Onkar, unfortunately - a subject that you and I have discussed many times - we do not have a statutory responsibility for health or rather we do not have the power over health care delivery that perhaps you and I would like to see.

**Dr Onkar Sahota AM:** My question was (Overspeaking) to reduce health inequalities.

**Boris Johnson (Mayor of London):** When you look at the budget, you have to assume that the overall **desire**(?) to reduce health inequalities is inherent in all policies. It is there. It is what we do. As you know, because we have talked about this many times, there are some interesting indicators of progress. The most basic is life expectancy in London. Life expectancy in London - one of the reasons that we have such a huge population - continues to rise but the --

**Dr Onkar Sahota AM:** Mr Mayor, I asked you a question (Overspeaking) and the answer is zero.

**Boris Johnson (Mayor of London):** -- life expectancy for the poorest socio economic groups is rising faster than for those at the top.

**Dr Onkar Sahota AM:** OK, Mr Mayor, can I ask a question now? Can I ask a question?

**Boris Johnson (Mayor of London):** There is a health inequalities convergence, which is a very welcome sign.

**Dr Onkar Sahota AM:** Mr Mayor, look, the answer is that you have --

**Boris Johnson (Mayor of London):** It is true.

**Dr Onkar Sahota AM:** -- set no monies aside at all. You are talking about the powers you have, right. As the nation today celebrates or remembers the 50th anniversary of Churchill - a great leader who you admire - you have the greatest power in the world. You are the most powerful elected politician in this country. You

need no powers more than raising the issues and concerns about this. What have you done to raise the concerns in your leadership to show the Churchill powers that you so admire? What have you done about it?

**Boris Johnson (Mayor of London):** What we have done is, as you know, to champion the work of the London Health Commission under Ara Dazi [Baron Darzi of Denham], which was excellent, and to promote all kinds of initiatives to improve the health of Londoners. I am not sure that Winston Churchill – great though he was – is the ideal exemplar in this case, because he was notoriously hostile to any kind of health campaigns based on diet, in war time in particular. There was a guy called Lord Woolton [wartime Minister of Food] who was (Overspeaking) and Churchill denounced it as food faddism and said it would be catastrophic for morale if the British people were not given enough meat.

**Dr Onkar Sahota AM:** Mr Mayor, you have brought up the London Health Commission, I admire the work of the Health Commission and I admire that you commissioned it. What have you done to push that agenda forward? What money have you set aside to put forward some recommendations (Overspeaking)

**Boris Johnson (Mayor of London):** I am going to put my hands up here, Onkar, and say that I wish we could have done more because, as you know, what happened a few years ago was that the plan to top slice public health funding and give us a strategic role was scrapped. I think that was wrong. We were to have a budget and that was taken away. In the absence of proper funding it is difficult for us to have the kind of very visible role that we would like. What we have done instead is champion all sorts of measures to help with the scourges we face, so to tackle obesity we have made changes to the London Plan so that councils have more freedom to restrict the arrival of chip shops and fast food outlets, with heavily saturated fat food, near school premises. We are doing a huge amount to champion walking and cycling and school sport. All those things we take forward. We led an initiative to allow Londoners to compare the results of their GPs in a transparent way, so that people in our city could know where they were likely to get the best service. I am sure that the Sahota surgery came out very well from that exercise. I have not looked on the website to see how Dr Sahota's patients fare. Many of them are still alive and --

**Dr Onkar Sahota AM:** Mr Mayor, this is your budget not my budget we are talking about. Look, you have an opportunity from the £17 billion budget you have to put some money aside for health inequalities, to give leadership. You have missed that opportunity and I think you should admit to it and hopefully you will reflect on what I say --

**Boris Johnson (Mayor of London):** I do reflect.

**Dr Onkar Sahota AM:** -- and come back and make a correction of the mistake you have made.

**Boris Johnson (Mayor of London):** To be fair, Onkar, I think this is something on which – party politics aside – you and I probably agree but I think the difficulty is for me to concentrate GLA funding that could go on important transport projects, housing delivery, to move substantial sums into health care delivery, when we do not have any real statutory in the matter, would not I think be a prudent use of resources.

**Dr Onkar Sahota AM:** What I am saying, Mr Mayor, is that you have the ability to push some of the agenda. You mention the **Health Commission(?)** report. You have some opportunity to do that, to put some money aside to push that argument and I think you should reflect on that.

**Boris Johnson (Mayor of London):** I do reflect on it. I think that in the end what should have happened is that Public Health England (PHE) should have done what they said they were going to do. We had a verbal promise; we had a promise from them that they would give London a budget for public health. That was not in the end forthcoming. I think that was a mistake.

**Dr Onkar Sahota AM:** Let us (Overspeaking)

**Boris Johnson (Mayor of London):** Onkar, if I may say, rather than swipe money from other parts of the GLA in order to do that, I want to keep that fight up and get the funding London needs for public health, and I hope all Members of the Assembly will join us in that.

**Dr Onkar Sahota AM:** Thank you, Mr Mayor.

**Roger Evans AM (Chairman):** Assembly Member Qureshi.

**Murad Qureshi AM:** Thank you, Chair. Mr Mayor, 2014 was a terrible year for air quality in the Capital. With your watered down ULEZ and new evidence emerging all the time about how bad the public health impact is, will your budget be another year which we have wasted in trying to tackle the silent killer?

**Boris Johnson (Mayor of London):** I do not think so at all, Murad, although I obviously respect the stuff that you have done on air quality and the care and the passion that you devote to it. The fact is that since I have been mayor the number of people living in areas where there is too much nitrogen dioxide (NO<sub>2</sub>) has been halved. We have reduced the number of Londoners greatly who suffer from excess NO<sub>2</sub>, which is really nasty stuff. We have reduced emissions of nitrogen oxides (NO<sub>x</sub>) by 20%, of PM<sub>10</sub>s and PM<sub>2.5</sub> by 15%.

Contrary to what you say, the ULEZ will be a game changer. The ULEZ will be effective in taking us two-thirds of the way towards compliance with the European Union (EU) standards, and reduce by 70% the number of people in Central London living in areas with excess pollution (Overspeaking)

**Murad Qureshi AM:** Mr Mayor, with respect --

**Boris Johnson (Mayor of London):** To reduce that by 70% will be a great thing and I think the ULEZ, far from being watered down, is a (Overspeaking)

**Murad Qureshi AM:** With respect, Mr Mayor, you will not be around when that comes into place. You have kicked it into the long grass.

**Boris Johnson (Mayor of London):** No.

**Murad Qureshi AM:** I do think the debate has moved on now to diesel emissions and I have no doubt that will dominate this calendar year.

**Boris Johnson (Mayor of London):** Yes, and I was (Overspeaking)

**Murad Qureshi AM:** Can I move on to another area?

**Boris Johnson (Mayor of London):** I was grateful to the Labour Shadow Minister who admitted that it was Labour's (Overspeaking)

**Murad Qureshi AM:** No, I think there is progress made on that front but can I also move on to something that some of your officers confirmed to the Environment Committee, that you have missed your interim targets for decentralised energy production? What faith have Londoners got who are having difficulties with their energy bills and want to see energy security and that this is a top priority for you? They want to see more decentralised energy sources here in London in your budget.

**Boris Johnson (Mayor of London):** Absolutely, and I hope that you will have been impressed that this budget allows us to go forward with the reactivation of the Greenwich Power Station that you will be familiar with. We are going to put in six brand new gas engines in the old turbine hall. This was originally the generator for London's trams. It will provide cheaper low carbon power for London's tube network. From memory, I think it can account for about 15% or 20% of the entire tube network's needs, which is huge. By the way, the London tube network needs about as much energy as the City of Leeds, so that is a huge output. The waste heat will be channelled into a local heat network of the kind that you and I both want to see, heating schools and homes in the Greenwich area and reducing utility bills for local residents. When you think about all those incredible developments, now Hackney on the peninsula, it will be a boom for them.

**Murad Qureshi AM:** Thank you for that update. I know TfL have been working on that for many, many years. It has just so happened it materialised in your time here.

**Boris Johnson (Mayor of London):** Oh I see, I wonder why it has so happened to materialise in my time. Because we had the guts and determination to do something.

**Murad Qureshi AM:** (Overspeaking) to tell Havering Council what they should be doing; the solar farm that they have just rejected in Upminster.

Could I move on to my third area of questioning, which is the record number of noise complaints we have had at Heathrow with the recent flight path testing. It was reported in *The Evening Standard* as many as 86,000 complaints were made over the last five months of last year. Is it not time that you followed up the Labour group's suggestion of re-establishing the GLA noise team? We put that to you last year and we are putting it to you again, particularly given your statutory responsibilities and the need to have a third party verifying these noise complaints even before we have a discussion of how to deal with this.

**Boris Johnson (Mayor of London):** I hesitate to say this because I have not thought about it a great deal and I am afraid I have not studied your proposal with enough attention yet, but superficially that sounds to me like a very interesting suggestion. I am looking around and there is support across the Chamber for this, so I am going to look at that. Let me say, I think it would also be helpful in the debate if there was some clarity from the Labour Party at large about how they view yet more noise and yet more pollution at Heathrow, because I have talked to Mr [Ed] Miliband [Leader of the Labour Party and Leader of the Opposition] about this and I am far from happy about what he seems to be saying. Murad, I think you and other Labour Assembly Members need to get your leader in a vice-like grip and get him to cough out his policy. It is far from clear what Labour proposes to do and we want to hear.

**Murad Qureshi AM:** I will pursue that. Thank you, Mr Mayor, I will take up your suggestion.

**Roger Evans AM (Chairman):** Deputy Chair?

**Jennette Arnold OBE AM (Deputy Chairman):** Good morning, Mr Mayor.

**Boris Johnson (Mayor of London):** Good morning, Jennette.

**Jennette Arnold OBE AM (Deputy Chairman):** Sorry ...?

**Boris Johnson (Mayor of London):** I said "Good morning, Jennette".

**Jennette Arnold OBE AM (Deputy Chairman):** Oh “good morning, Jennette”, OK. If that is an opening to call you “Boris” I shall resist. OK. Can we start by where we agree? By “we” I mean the Labour group in terms of your involvement with education and work around young people. We certainly agree and support your involvement in education and the work around young people, and many of the recommendations that came out of the Education Commission. What we disagree with you about is the stop/start nature of your involvement, so I want to put it to you again today: will you look again and move away from the 90% cuts that you have made in this budget that you said was a budget that will improve the lives of the poor and the vulnerable of London? Will you move away from that 90% cut reduction to education and (Overspeaking) funding?

**Boris Johnson (Mayor of London):** Jennette, there has been no such cut and it is completely misleading to say that there has. If you compare how much the GLA is putting in of its own money into youth and education, these proposals show an increasing net contribution from £4.089 million to £4.3 million this year and we are continuing to support all the programmes that we possibly can. As I said earlier on, we are meeting manifesto commitments to double the number of police cadets. We are continuing with our mentoring schemes and supporting young people in all sorts of ways, not least free travel for young people which is not available anywhere else in the country.

**Jennette Arnold OBE AM (Deputy Chairman):** Mr Mayor, no, I am not talking about the things that were ongoing when you became mayor. I am talking about your ability as mayor to, for instance, find £30 million when your friends approached you to put to the Garden Bridge, but you have been unable to find £30 million to add to a programme that would enable London’s most vulnerable young children to boost their retention. You talk about --

**Boris Johnson (Mayor of London):** I reject that. We have continued to support schemes that help boost standards in London schools.

**Jennette Arnold OBE AM (Deputy Chairman):** You have not.

**Boris Johnson (Mayor of London):** We are continuing to support the expansion of school places in London, to drive up standards. Through Team London and through the Mayor’s Fund we invest substantial sums. Obviously the Mayor’s Fund is independent but substantial sums go into boosting literacy and numeracy for young people, and the results are showing up in the improvement in London’s schools and improvements in literacy and numeracy.

**Jennette Arnold OBE AM (Deputy Chairman):** Mr Mayor, you have not increased GLA core funding. What you have been talking about comes from a European Social Fund spend and what you have not proposed to do is absolutely replace that funding and in fact add on the work.

**Boris Johnson (Mayor of London):** No, it is not. This is GLA funded. No, you are completely wrong.

**Jennette Arnold OBE AM (Deputy Chairman):** Your budget will in fact -- and I am taking it from sources here, that I believe are more reliable than you, that the decreasing of the fund will have a disproportionate impact on the most vulnerable groups of young people.

**Boris Johnson (Mayor of London):** No.

**Jennette Arnold OBE AM (Deputy Chairman):** For instance, there will be reduced out of hours tuition for young people because many of the programmes that started this work will close once the European funding stops.

**Boris Johnson (Mayor of London):** No, as I said, we are increasing our net contribution to the youth programmes from £4 million to £4.3 million and we are continuing with support for a huge range of supplementary programmes: schools and leadership clubs, the Gold Club, the Peer Outreach team, new schools for London, the London Schools Excellence Fund, and so on. The Mayor's Mentoring Programme --

**Jennette Arnold OBE AM (Deputy Chairman):** Mr Mayor, you are badly informed and what I would ask you to do is to look at the proposals within the Labour budget, because in those proposals what we would do is we would add new funding and we would reallocate the funding that goes there. That funding would go right to the heart and would meet the needs of the most vulnerable and most in need young people of this city. Thank you (Overspeaking)

**Boris Johnson (Mayor of London):** I understand. I will look at your proposal but I think you are in error when you say that we are reducing GLA funding for youth.

**Jennette Arnold OBE AM (Deputy Chairman):** I am not.

**Boris Johnson (Mayor of London):** We are doing far more than was ever done before.

**Jennette Arnold OBE AM (Deputy Chairman):** No, you are deluding yourself, as usual.

**Boris Johnson (Mayor of London):** I am not. I am afraid you are just in a state of savage denial.

**Jennette Arnold OBE AM (Deputy Chairman):** I am not.

**Boris Johnson (Mayor of London):** You are.

**Jennette Arnold OBE AM (Deputy Chairman):** Stop, I am not. I am right. You are wrong.

**Boris Johnson (Mayor of London):** Oh ...

**Roger Evans AM (Chairman):** Assembly Member Copley?

**Tom Copley AM:** Thank you, Chair. Mr Mayor, there are many things I could ask you about in regard to the housing section of your budget, but I want to focus on the private rented sector (PRS), if I may? As you know, many of the more than 900,000 households that rent in the PRS, the conditions for many of them are not good. The PRS has the lowest compliance with the Decent Homes Standard of any tenure. Complaints against landlords are up 47% since 2008.

**Boris Johnson (Mayor of London):** You say complaints against landlords?

**Tom Copley AM:** Rents are up 21% since 2011. Now your response to this over the last few years has been simply voluntary regulation. This clearly is not working. [Albert] Einstein [German-born theoretical physicist and philosopher of science] said that the definition of madness was doing the same thing over and over again expecting a different result, which is what you appear to be doing. Could you set out how your budget is going to help people who rent in the private sector?

**Boris Johnson (Mayor of London):** We are indeed doing the same thing over and over again, which is building more and more homes. Every time we build a home it is something that provides hope for families in our city. As I say, I think that the manifesto commitment --

**Tom Copley AM:** You only managed to build 17,000 home in 2013 - 2014, Mr Mayor, which was a catastrophically low amount.

**Boris Johnson (Mayor of London):** To be clear, 100,000 affordable homes over the lifetime of this mayoralty is very substantial and one that no previous administration in this city has ever achieved.

**Tom Copley AM:** I have asked you specifically about the PRS. What is your budget going to do to help people, who are renting from private landlords whose homes are in poor condition?

**Boris Johnson (Mayor of London):** We have the London Rental Standard, as you know, which I --

**Tom Copley AM:** Entirely voluntary.

**Boris Johnson (Mayor of London):** -- would urge everybody -- all London renters to -- all those who own property for rent I would urge them to -- all London landlords should sign up to, and the crucial thing is to build more homes that can be made available for private rent and that is exactly what we are doing through our housing zones, through our housing covenant. I am afraid the answer is to do what Labour failed to do and that is to build more homes and --

**Tom Copley AM:** Mr Mayor, your rental standard has an incredibly low take up and frankly it is not going to help the people who need to be helped, who are the people with bad landlords because the bad landlords simply will not sign up. Let me run through a few of Labour's proposals and see if you will agree with them or not. What we propose is that we should set up an online register to highlight bad landlords. It is something they have done in New York. They have set up a website that people can go on and they can see if landlords have, for example, convictions for breaches of housing law. Do you think this is the sort of thing that tenants should have?

**Boris Johnson (Mayor of London):** Yes, I have to say that is obviously an interesting idea. I have to say it amounts to a considerable watering down of your previous proposals, which were to have draconian maximums for rent, which I do not think would work --

**Tom Copley AM:** Hang on, this is --

**Boris Johnson (Mayor of London):** This marks a Labour U-turn. I am interested to hear it.

**Tom Copley AM:** Can I just stop you there, Mr Mayor, because you are completely misrepresenting the position of the Labour group.

**Boris Johnson (Mayor of London):** (Overspeaking)

**Tom Copley AM:** Quiet. You have completely misrepresented the position of the Labour group.

**Boris Johnson (Mayor of London):** No, I am not; no, I am not.

**Tom Copley AM:** The Labour Party's policy is not caps on maximum rents.

**Boris Johnson (Mayor of London):** It was. Yes, it was. Yes, it was.

**Tom Copley AM:** It is longer tenancy caps on annual rent increases; something entirely different.



**Boris Johnson (Mayor of London):** You wanted to bring in rent control.

**Tom Copley AM:** Do not misrepresent the position of the Labour (Overspeaking)

**Boris Johnson (Mayor of London):** I am sorry, I thought -- dear, oh, dear, I thought there were lots of people going around London in total ignorance thinking that you actually wanted rent controls and to cap rents. I am delighted to hear that actually you do not. I am interested that you have made this public U-turn. I think that many Londoners will be very interested to hear that Labour (Overspeaking)

**Tom Copley AM:** You are completely misrepresenting the position of the Labour group, which is, if you look at the national Labour Party policy --

**Boris Johnson (Mayor of London):** No.

**Tom Copley AM:** I am very pleased to be able to advertise this to private tenants, Mr Mayor, because it is going to be a very popular policy: three year tenancy is established with caps on annual rent increases, and I think that is a very sensible --

**Boris Johnson (Mayor of London):** Oh I see, so you are going to have -- you are going to (Overspeaking)

**Tom Copley AM:** Caps on annual rent increases. Not caps on rents, Mr Mayor.

**Boris Johnson (Mayor of London):** I think you need to get your --

**Tom Copley AM:** If you are not able to comprehend that difference then I fear your ability to run the city effectively.

**Boris Johnson (Mayor of London):** One way or the other, you are seeking to control the ability of private landlords to set rents according to the needs of the market. What the experience of this city and many other cities has shown, is that drives people out of the PRS. It stops people renting. It makes them put the property up for private sale and it shrinks the availability of homes for rent. That has been the experience of London. When we had rent controls it certainly did not (Overspeaking)

**Tom Copley AM:** He is just waffling and wasting time now, Chair. Could we stop the clock?

**Boris Johnson (Mayor of London):** It has been the experience of other European cities. The best way forward is to increase the volume of housing for private rent.

**Roger Evans AM (Chairman):** Assembly Member Gavron.

**Nicky Gavron AM:** Yes. We have a housing crisis and in the face of that, Mr Mayor, you have set up a new target of 42,000 homes per annum starting from April, but the last record we have of house building we have in this city - as Mr Copley has just said - was for 2012/14 17,720, so there is a massive gap. Now Labour has a --

**Boris Johnson (Mayor of London):** Those are affordable homes.

**Nicky Gavron AM:** No, they are all homes.

**Boris Johnson (Mayor of London):** No, they are not.

**Nicky Gavron AM:** You are not building anything like 17,000 affordable homes. That was all homes in 2013/14. It was the worst record for about 15 years.

**Boris Johnson (Mayor of London):** What ...?

**Nicky Gavron AM:** Keep going though. Labour has a way of helping you achieve --

**Boris Johnson (Mayor of London):** The total was about 45,000. You are totally wrong.

**Nicky Gavron AM:** Sorry, Labour has a way of helping you achieve this target, which is fast build, ultra energy efficient homes. This is modern methods of construction. They are up in a matter of weeks and they are very high quality. We put a proposal forward last year and we are putting another proposal forward this year, but there is nothing in your budget about this. Are you supportive of this?

**Boris Johnson (Mayor of London):** Obviously we are supportive of all schemes, Nicky, that help us to accelerate housing.

**Nicky Gavron AM:** I am talking about fast build, ultra energy (Overspeaking)

**Boris Johnson (Mayor of London):** I know that the GLA and the Homes and Community Agency (HCA), the housing unit, have supported fast track modular units. I have been down to see some of them I think in Sutton or somewhere. We went to see some new homes that are very attractive and have gone up very fast.

**Nicky Gavron AM:** I am glad to hear that.

**Boris Johnson (Mayor of London):** I am totally in favour of that kind of approach. One of the difficulties we have is that if you look at the reasons for the slowness of housing delivery in London, it is not just that - and I think you are right in your point about builders being too slow and some of the techniques that we are using are too labour intensive and take too long - it is also that the planning departments in many boroughs are not being sufficiently aggressive in getting stuff through.

**Nicky Gavron AM:** This can be --

**Boris Johnson (Mayor of London):** That is one of the most serious blockages in the system.

**Nicky Gavron AM:** Can I just say there is a scheme in Roger Evans's constituency, which from planning through remediation, to completion with residents in was in one year flat, so I just --.

**Boris Johnson (Mayor of London):** I am sure that is entirely thanks to Roger and his GLA Conservatives.

**Nicky Gavron AM:** Hang on a moment --

**Boris Johnson (Mayor of London):** I congratulate Roger and GLA Conservatives on their leadership in this matter.

**Nicky Gavron AM:** Hang on a minute, Richard Blakeway [Deputy Mayor for Housing, Land and Property] went to see it and he said --

**Boris Johnson (Mayor of London):** That is very much the stuff to give the troops.

**Nicky Gavron AM:** Just a moment, this is helping you. Richard Blakeway went to see it.

**Boris Johnson (Mayor of London):** I know. I am delighted that you are congratulating Roger on his achievement.

**Jenny Jones AM:** This is more time wasting.

**Nicky Gavron AM:** Richard Blakeway went to see it and he said, "Great Green credentials, just what we should be doing on public land". Now, in your budget strategy you say you are going to have an exit strategy for all your public land within one year, by 2015. You have at least 100 hectares left and this would be a very good use of it, so will you put some money and your land where your mouth is.

**Boris Johnson (Mayor of London):** I think never in the history of London government has there been such a programme of development of public land. I think you will have seen in the paper this morning the £3.4 billion programme of asset sales that TfL is now going through. TfL is effectively becoming a gigantic property company. Of course we are going ahead with the delivery --

**Nicky Gavron AM:** Fantastic. Mr Mayor, I am asking about a specific proposal.

**Boris Johnson (Mayor of London):** -- of homes across the city and we have delivered - as I never tire of telling you - record numbers, more than you did in eight years when you sat here.

**Nicky Gavron AM:** I am talking about a specific proposal. Focus on your budget.

**Boris Johnson (Mayor of London):** You sat here in almost eight years of boom. We have done it in seven years of pain. We have done it --

**Nicky Gavron AM:** Chair, Chair, look, this is not on the point.

**Boris Johnson (Mayor of London):** It is totally on the point.

**Nicky Gavron AM:** What is going on? Mr Mayor, I want to ask you --

**Roger Evans AM (Chairman):** Mr Mayor, can you let Ms Gavron ask a question?

**Boris Johnson (Mayor of London):** I wonder what her question is.

**Nicky Gavron AM:** I want to ask you about a specific project. It is a Labour amendment to the budget and it is something I think that you (Overspeaking) and I want to see you do it.

**Boris Johnson (Mayor of London):** I agree. I agree with you.

**Nicky Gavron AM:** While you are talking - and while you have been talking for a year - Enfield has committed to 94 mixture - with their own money - private rented, social rented homes and with hundreds more to come on their infill site on their own land. Newham is doing it too. Other boroughs are doing it. Why can you not do it on your own (Overspeaking)? Will you please stimulate supply by putting aside some land for this and also create, as well as demand, some more supply in terms of building a factory? Why do you not get a factory built, too? We have put a proposal in and we would like to see you do that.

**Boris Johnson (Mayor of London):** What sort of factory?

**Nicky Gavron AM:** A factory for fast assembly and modern methods of construction for housing.

**Boris Johnson (Mayor of London):** I see, yes.

**Nicky Gavron AM:** They are built mainly offsite and are constructed in a matter of weeks onsite. They are very high quality and ultra energy efficient.

**Boris Johnson (Mayor of London):** Look, I am very happy to look at your proposals for such a factory and indeed for accelerating high-quality modular homes.

Actually, we do a huge amount of this already. I congratulate all boroughs that are involved in such programmes. In particular, obviously, I am delighted by the tribute you have rightly paid to Roger Evans for the work he has plainly been doing in his constituency. This is something --

**Nicky Gavron AM:** It was not anything to do with Roger, but anyway.

**Boris Johnson (Mayor of London):** -- that we are progressing and, as I say, a huge proportion of GLA land that was vacant, fallow, redundant, neglected, sterile and pointless has now been disposed of for the benefit of Londoners. On that land, we are building sensational numbers of homes.

**Roger Evans AM (Chairman):** Thank you. I should add, although you are singing my praises here, that I do not want to take credit for other people's efforts. It is largely down to the excellent work of the London Borough of Havering and the work --

**Boris Johnson (Mayor of London):** We should congratulate Roger on his becoming modesty in that matter.

**Roger Evans AM (Chairman):** Thank you. A bit of modesty around here is no bad thing. Can I welcome to the public gallery St Helen's Catholic Primary School from Newham?

**Boris Johnson (Mayor of London):** Good morning.

**Roger Evans AM (Chairman):** Have we concluded the questions on the Mayor's part of the budget? Are there any more questions? No.

Then we will move on to the next section of the budget, which is the London Assembly's budget. This is often fairly non-contentious. I have a question to ask you. Do any Members have questions to raise on this element of the budget? No. Then that seems to be fairly uncontentious again.

The next stage of the budget we are going to look at is the Mayor's Office for Policing and Crime (MOPAC) and the Liberal Democrats have the lead question. Ms Pidgeon, is that you?

**Caroline Pidgeon MBE AM:** That is right. Thank you. Mr Mayor, given the significant increase in child abuse cases, are you satisfied that your budget has allocated the correct level of funding to resource the Child Abuse Investigation Teams?

**Boris Johnson (Mayor of London):** We are talking about MOPAC now, are we?

**Caroline Pidgeon MBE AM:** Yes.

**Boris Johnson (Mayor of London):** I am, but it is not something that has been specifically raised with us in advance, Caroline. I am obviously determined that the MPS should not be underfunded in respect of child abuse. If you will forgive me, I will verify exactly what the sums are and whether Sir Bernard [Hogan-Howe, Commissioner of Police of the Metropolis] thinks that it is adequate.

**Caroline Pidgeon MBE AM:** Our Assembly report, *Keeping London's Children Safe*, recommended that this unit should actually be overstaffed because there are significant issues, for example, with a lot of women working in the team and --

**Boris Johnson (Mayor of London):** I am not necessarily in favour of overstaffing any unit but --

**Caroline Pidgeon MBE AM:** If I could finish, a lot of women work in the team who go on maternity leave and often they are down in numbers. In your final budget, would you consider funding potentially two extra officers per borough to cover this increasing demand and workload, ensuring that London's children are kept safe?

**Boris Johnson (Mayor of London):** Just for child abuse cases and hypothecated for those issues? Is that your --

**Caroline Pidgeon MBE AM:** Would you consider putting an additional 64 officers into this area?

**Boris Johnson (Mayor of London):** Personally, just off the top of my head - and we have not really had this before in the discussions on the budget - the course I would favour is a general sensitivity and dynamism on the part of all officers in the MPS about child abuse issues. I would rather see a stronger borough presence all round --

**Caroline Pidgeon MBE AM:** You are missing my point, actually, Mr Mayor.

**Boris Johnson (Mayor of London):** -- and a greater willingness to take this issue seriously. That would be a more effective way of dealing with the problem than allocating two specific officers for every borough in a slightly rigid way to deal with that problem. That is my instinct.

**Caroline Pidgeon MBE AM:** You are completely misunderstanding my question. Will you put the equivalent of two extra officers per borough into the Child Abuse Investigation Teams to help with this huge workload? Will you consider that?

**Boris Johnson (Mayor of London):** In your earlier comments, you said that you thought that the unit was overstaffed --

**Caroline Pidgeon MBE AM:** No, I did not.

**Boris Johnson (Mayor of London):** -- but that that might be because of maternity and so on. Let me look at that. As I said in my first answer, let me look at the staffing and let me look at the resources that go into the child abuse problem to see if we think that they are adequate.

**Caroline Pidgeon MBE AM:** You need to perhaps get up to speed in that area, Mr Mayor.

**Boris Johnson (Mayor of London):** I am not aware of a problem, but if you think there is, then you should let us know.

**Caroline Pidgeon MBE AM:** OK. The other issue I would like to raise with you is around child sexual exploitation training. This training has been rolled out to only 50% of boroughs. Are you certain that your budget will ensure that the MPS can fully roll out this training to all London boroughs and officers?

**Boris Johnson (Mayor of London):** Again, to the best of my knowledge, we have very good training procedures to inform officers about evidence of child sexual exploitation, which is obviously a horrific crime. The proof of the pudding has to be in the eating. Are they doing a good job of detecting it and of cracking down on it? I am sure that Sir Bernard Hogan-Howe, everybody in the MPS and Stephen Greenhalgh [Deputy Mayor for Policing and Crime] will be listening to this conversation and --

**Caroline Pidgeon MBE AM:** You are going to make sure there is enough money to fund the training?

**Boris Johnson (Mayor of London):** -- thinking about whether we are doing enough to fund training, but I cannot --

**Caroline Pidgeon MBE AM:** Thank you.

**Boris Johnson (Mayor of London):** I have no evidence, Caroline, that it is inadequate. Nobody has suggested to me so far that it is inadequate.

**Caroline Pidgeon MBE AM:** I just wanted to raise those two issues so that you can make sure you ask the questions. Thank you, Mr Mayor.

**Roger Evans AM (Chairman):** Assembly Member McCartney?

**Joanne McCartney AM:** Yes, Mr Mayor. I think we both agree that policing is very stretched at the minute and that the future looks very difficult.

**Boris Johnson (Mayor of London):** Policing is going very well in London. That is how I would put it. The MPS has delivered a remarkable success in continuing to bring crime down throughout the recession.

**Joanne McCartney AM:** Of course, we had the Commissioner at our policing Plenary in December sitting alongside you and telling us that it was very difficult. He has warned that, with future budget cuts, public safety could be at risk. We have had this last week your Deputy Mayor for Policing and Crime telling us that the Government was penny-pinching over counterterrorism money, that the police are extremely stretched in that regard at the minute and that it is a scandal the way the Government is holding back the money on that. You have told us this morning that you want a stronger borough presence all round with regards to policing.

**Boris Johnson (Mayor of London):** That is what we are achieving.

**Joanne McCartney AM:** Would you agree with me that if we could have extra officers in boroughs, it would be a good thing, particularly as you have managed to break even on your budgets so far only by holding police officer numbers lower than your target and by cutting 2,500 Police and Community Support Officers (PCSOs)?

**Boris Johnson (Mayor of London):** No. I will just give you the figures. Actually, there are a record number of police constables in London now at 26,000. There has never been so many before.

**Joanne McCartney AM:** Mr Mayor, total police officer numbers have gone down. Police constables are the lower ranks. You have cut the middle and senior ranks.

**Boris Johnson (Mayor of London):** The total number of police officers in London in November was 32,160. Excluding trainees, it was 31,434. For ease of comparison - because I know that this is something that Jenny [Jones AM] has been asking about - in April 2008 there were 31,395. Excluding trainees, there were 30,656. Therefore, by any measure, the number of police in London has gone up under this mayoralty --

**Joanne McCartney AM:** Mr Mayor, it has not. For most of your mayoralty, officer numbers have been significantly lower and --

**Boris Johnson (Mayor of London):** -- in spite of all the budgetary difficulties that we have faced and in spite of the massive retrenchment that we have seen in police forces around the country. That is a very considerable credit to the management of police resources and to the MPS itself.

**Joanne McCartney AM:** Mr Mayor, you have also cut 2,500 PCSOs, which were the bedrock of our local Safer Neighbourhood Teams and we now have --

**Boris Johnson (Mayor of London):** I think that most Londoners --

**Joanne McCartney AM:** Can I finish? We now have from your own MPS survey that nearly half of Londoners do not think the police provide a sufficient visible presence on our streets.

**Boris Johnson (Mayor of London):** Actually, Joanne, the figures I have seen suggest to me that, as you know, we have asked for a 20% increase in police confidence --

**Joanne McCartney AM:** Yes, you are going to miss that significantly.

**Boris Johnson (Mayor of London):** -- and confidence in London policing, admittedly off a low base, has been rising in the last few years and rising by comparison with many other forces --

**Joanne McCartney AM:** You are talking about confidence. I am talking about visibility.

**Boris Johnson (Mayor of London):** -- and confidence is very much driven by visibility.

**Joanne McCartney AM:** Visibility is down, Mr Mayor.

**Boris Johnson (Mayor of London):** We have made it very clear that we want to see more police officers out there on the street. That is what we have achieved. The proof of it is in the overall crime tally which, as I say, continues to fall appreciably. If you look at the percentage of the total workforce on the front line in the MPS from March 2008 to June 2014, it has increased from 57.3% to 69.5%. That means we are doing what everybody wanted us to do. We have taken account of the difficulty. We have made the MPS less top-heavy and we have put more people out on the front line.

**Joanne McCartney AM:** Mr Mayor, we want to see more police on our streets and our budget does that.

If I could move on to a couple of other issues, you have now taken over the commissioning of London's victim services. That is now your responsibility. The MPS's victim satisfaction levels are the second-lowest in the country. I think we all agree that that needs to shift. One of the things that we are suggesting and have suggested in previous budgets is the use of independent advocates. MOPAC has just published some suggestions for increasing the number of independent domestic violence advocates, which we welcome, but we have for the last two or three years now suggested - and we are doing it again today - that we could take that model and pilot a project looking at independent advocates for victims with disabilities and with mental health issues. Is that something you would consider?

**Boris Johnson (Mayor of London):** I am interested in all that type of work. The role of advocates for victims is extremely important and victim support is extremely important because one of the problems we have

in London is that although crime rates have been coming down, the sanction detection rates are not anything like good enough. That is a function very largely of our difficulty in getting people to testify and deficiencies in the handling of witnesses and the support of victims. All this type of work I fully support.

**Joanne McCartney AM:** Will you agree to give that good consideration?

**Boris Johnson (Mayor of London):** I appreciate what you are saying. I will discuss it with Stephen Greenhalgh and we will see what we can do to emphasise that type of work. I totally agree with you, but obviously the funding package overall, as you have rightly pointed out, is limited.

**Joanne McCartney AM:** One of the things that we are suggesting again and that we have suggested in the past is that MOPAC could have a 'victims champion', someone whose job it is to champion and to give a good voice for victims across London and with all the agencies in London. Is that something you would consider?

**Boris Johnson (Mayor of London):** Let me think about that.

**Joanne McCartney AM:** OK. The other thing that I have been pressing you for over the last few months now is an anti-sexual harassment campaign. We still do not know the detail of the TfL campaign, but from the detail I have had - which has been very little - it does not seem to go to the great extent that the New York model does and the very proactive campaign that it has put in place. Before those final details come forward, would you actually look at that again and look at the New York model and check that we are doing all that we can?

**Boris Johnson (Mayor of London):** Yes. I am concerned about sexual harassment of all kinds. Crime generally on public transport has been falling very sharply. We have had fantastic success in driving off gang crime, violence on buses and violence on the Tube. The Tube network is now the safest in Europe.

Are we seeing too much sexual harassment? My answer is, yes, we are and we need to fight it. Perhaps we should think of clearer public campaigns about London's refusal to tolerate such harassment. I am certainly willing to stand for that.

**Joanne McCartney AM:** Mr Mayor, this is the fourth time I have asked you for this. I am thankful for that, but TfL is developing a programme. I have not seen the details but from what I have seen it does not seem to go far enough. Please look at it before the final details are published.

**Boris Johnson (Mayor of London):** I will look at it.

**Joanne McCartney AM:** Thank you.

**Boris Johnson (Mayor of London):** These things are quite difficult to phrase and you have to get it right, but I will make sure we do it right.

**Roger Evans AM (Chairman):** Assembly Member Dismore?

**Andrew Dismore AM:** Can you tell me how many police officers we have in Barnet and how many in Camden?

**Boris Johnson (Mayor of London):** I cannot tell you from the report I have in front of me. What I can tell you is that there are more police officers on the streets in London than there were when I was elected, substantially more, and --



**Andrew Dismore AM:** You have said all that. The short answer is that you do not know. Let me tell you --

**Boris Johnson (Mayor of London):** I do know.

**Andrew Dismore AM:** You do not know because you just said you do not.

**Boris Johnson (Mayor of London):** I do know, but I cannot tell you now. I can give you the figures. If you want a breakdown of all the police officer numbers in the whole of London, I am personally happy to do it.

**Andrew Dismore AM:** I will give you the figures, Mr Mayor. I will tell you, Mr Mayor. In Barnet, we have 548 police officers, 60 - or 10% - fewer than in 2010. In Camden, we now have 671, 125 - or 15% - fewer than in 2010.

What makes it even worse, Mr Mayor, is the extent to which these officers are actually not on duty in the borough. Over the last six months of last year, both boroughs lost officers for thousands of shifts. In Barnet, the average was 98 shifts lost per week to officers working in other boroughs. In Camden, 83 shifts per week were lost to officers working in other boroughs. They are not on the streets of Barnet and Camden. They are somewhere else altogether.

Do you think the numbers we have in Barnet and Camden are adequate for policing those boroughs?

**Boris Johnson (Mayor of London):** You have more police on the streets --

**Andrew Dismore AM:** It is a straightforward question. Answer the question.

**Boris Johnson (Mayor of London):** The answer is yes.

**Andrew Dismore AM:** Yes? All right.

**Boris Johnson (Mayor of London):** Ask a sensible question, Dumbo. Yes.

**Andrew Dismore AM:** Here we go again.

**Roger Evans AM (Chairman):** Order.

**Andrew Dismore AM:** Here we go again.

**Boris Johnson (Mayor of London):** The answer is yes.

**Roger Evans AM (Chairman):** Can you just stop there for a moment, please?

**Boris Johnson (Mayor of London):** Yes. I am sorry.

**Roger Evans AM (Chairman):** We should address each other in a more civilised manner.

**Jenny Jones AM:** Hear, hear.

**Boris Johnson (Mayor of London):** I am terribly sorry. I was referring to the famous flying elephant. I was referring in an affectionate way to my friend --

**Roger Evans AM (Chairman):** Even so, I realise that both of you hope to go back to Parliament next year but there is no reason to bring that sort of bad behaviour down the river to the rest of us here.

**Andrew Dismore AM:** Dear, dear. I thought you had a tougher skin than that, Mr Mayor, when you (Overspeaking)

**Boris Johnson (Mayor of London):** I disagree.

**Roger Evans AM (Chairman):** Mr Dismore, can you continue your question?

**Andrew Dismore AM:** I will continue my question.

**Boris Johnson (Mayor of London):** 'Dumbo' was meant in all gentleness and affection.

**Andrew Dismore AM:** All right. Perhaps I could refer to you as 'Pinocchio', then, in the same light.

**Roger Evans AM (Chairman):** Perhaps not.

**Andrew Dismore AM:** Mr Mayor, do you think Londoners would prefer to have an extra 30 officers in each of the boroughs or a one-pence-a-day Council Tax cut?

**Boris Johnson (Mayor of London):** What Londoners want to see is continued reductions in crime in our city. That is what they are getting.

**Andrew Dismore AM:** I have asked you a question. Answer the question, please. Do you think Londoners would prefer to see --

**Boris Johnson (Mayor of London):** What they want to see is cuts in Council Tax, which your party totally failed to deliver. You endlessly put up Council Tax. We have succeeded --

**Andrew Dismore AM:** Would you please answer the question? It is a straightforward question, Mr Mayor.

**Boris Johnson (Mayor of London):** -- not just in cutting Council Tax in real terms but also in driving crime down.

**Andrew Dismore AM:** Do you think Londoners really want to see a one-pence-a-day cut in their Council Tax, as opposed to 30 extra police officers in the borough or 1,000 across London? Which is it?

**Boris Johnson (Mayor of London):** What you are posing is an entirely false alternative. What Londoners rightly want to see is both. They want to see both and that is what we are delivering. We are delivering cuts in Council Tax and substantial cuts in crime whilst getting more police out on the street.

**Andrew Dismore AM:** Let us explore that, shall we? You are proposing a one-pence-a-day cut in the Council Tax. We are proposing, instead of a one-pence-a-day cut in the Council Tax, 1,000 extra officers or 30 per borough. You say crime has gone down. Let me tell you. In Barnet, crime has gone down --

**Boris Johnson (Mayor of London):** Good.

**Andrew Dismore AM:** -- by 1% but --

**Boris Johnson (Mayor of London):** Crime has gone down overall.

**Andrew Dismore AM:** -- violent crime is up 34%.

**Boris Johnson (Mayor of London):** Burglary --

**Andrew Dismore AM:** Barnet now has the highest number of burglaries of any borough in London --

**Boris Johnson (Mayor of London):** -- is down 34% this year.

**Andrew Dismore AM:** -- but only 3% of burglaries result in a prosecution. Do you think that is an adequate performance? Do you think that is why Londoners would prefer to see more police officers rather than a penny-a-day cut?

**Boris Johnson (Mayor of London):** Crime overall in Barnet, burglary included, is massively down. The police in Barnet are doing a fantastic job. I sometimes think it is regrettable that they are not better represented by their Assembly Member. Frankly, you should pay tribute to the work of the police in Barnet. I congratulate them on the success that they have had. Most crime types are substantially down and that is very largely thanks to the work of the MPS.

**Andrew Dismore AM:** I certainly pay tribute to the police officers in Barnet and Camden and I am representing them by saying there are not enough of them. They want more to do the job better and you will not give them those officers.

**Boris Johnson (Mayor of London):** This budget poses no false alternative. This budget poses no such false alternative.

**Andrew Dismore AM:** You prefer to cut Council Tax by a penny a day instead of giving those officers the support they need. That is the point.

**Boris Johnson (Mayor of London):** Blah, blah, blah. This budget supplies, if I may --

**Andrew Dismore AM:** It is a straight choice: a penny a day off your Council Tax or 1,000 more officers across London, 30 more per borough.

**Boris Johnson (Mayor of London):** It is not. We are able to deliver both.

**Andrew Dismore AM:** That is the choice. That is the choice that Londoners have and you are refusing to give them that choice.

**Boris Johnson (Mayor of London):** The choice that the people of London have is to go with the failed old policies of the Labour Party or to go with a party that can actually deliver both cuts in Council Tax --

**Andrew Dismore AM:** And cuts in police officers, like you have done --

**Boris Johnson (Mayor of London):** -- and considerable reductions in crime and increases in the number of police officers on our streets in a way that no other city has seen.

**Andrew Dismore AM:** -- cuts in police officers by 10% or 63 in Barnet and 125 in Camden. You have cut the police in London and you are continuing to do so.

**Boris Johnson (Mayor of London):** I would just remind you that the police numbers net of trainees when I came in were 30,656. Net of trainees today, they are 31,434. If you include trainees, they were when I was elected 31,395 and they are now 32,160.

You should pay tribute to the MPS, to MOPAC and to everybody who has worked to drive economies in our police service and get more police out on the street. You should pay tribute in particular to the work of the police in Barnet and Camden.

**Roger Evans AM (Chairman):** Assembly Member Jones?

**Jenny Jones AM:** Thank you, Mr Chair. I am starting to look like one of the more polite people around this table, I would like to point out, which has probably surprised us all.

Last week I published my report into MPS surveillance practice. In it, I outlined an awful lot of stuff that they do not need to be doing because they are looking at people like environmental activists, antiracist organisations and so on. Would you consider reviewing that particular practice? You could save a lot of money for the MPS if you just stopped them wasting time on people like me.

**Boris Johnson (Mayor of London):** Jenny, you have raised that before and I know you have done a lot of work, quite rightly, on what you think is excessive police surveillance. Clearly, there is a balance to be struck. In your particular case, I know that you have had your files. It would be wrong of me to comment on the police operation there. That is something for you and for the police. However, generally, the police do have a responsibility to monitor people who might mean us very serious harm. We saw in Paris only the other week that there were people who were very much on the radar screen of the police over there and who committed absolutely horrific crimes and I must say that --

**Jenny Jones AM:** I am sorry. No, that is just not true.

**Darren Johnson AM:** Jenny has not joined the Islamic State in Iraq and al-Sham (ISIS) yet, just to reassure you.

**Jenny Jones AM:** No. It is simply not true that in Paris more surveillance would have helped. What has come out of Paris and what came out of the tragic murder of Lee Rigby [British soldier] is that it was actually the dogged police work that was not done. It was the record-keeping. There were delays in information being passed on. Actually, more surveillance would not have been the answer.

**Boris Johnson (Mayor of London):** I am willing to listen to that point but I am not --

**Jenny Jones AM:** What I am asking you though now is: the MPS is clearly looking at people who are not threats and who are not serious criminals and so will you just review its practice? You could save the MPS a lot of money if it just did less surveillance on people like me and more on serious criminals.

**Boris Johnson (Mayor of London):** In all seriousness, there is a balance to be struck. When it comes to looking at the electronic communications of guys who are jihadis or potential jihadis, I am totally in favour of --

**Jenny Jones AM:** That is not what I am asking. That is not what I am talking about.

**Boris Johnson (Mayor of London):** When it is innocent herbivorous Greens who do not present any kind of threat to humanity, then perhaps it should be different. Of course, I can imagine that it is not sensible to conduct that kind of surveillance. As I said, my admiration for the Greens grows by leaps and bounds --

**Jenny Jones AM:** You and Cameron [Prime Minister] both. Thank you. Do not take any more of my time. Thank you, Mr Mayor.

**Boris Johnson (Mayor of London):** I know. Quite seriously, this is something that I will think about and I will ask Alex Carlile [Chairman, London Policing Ethics Panel] to have a look at or, rather, it might be something where the Ethics Committee --

**Jenny Jones AM:** Alex Carlile stood up in the House of Lords this week and argued for more surveillance. Please do not ask him. He is not independent. He is a Home Office appointee. He is a totally inappropriate person.

**Boris Johnson (Mayor of London):** No, he is not. He was appointed by us.

**Jenny Jones AM:** You should look at the MPS and its practices. I have to stop. I am sorry. I need to leave Darren [Johnson AM] some time.

**Boris Johnson (Mayor of London):** Jenny, I think you and I are agreed that we do not want excessive surveillance of innocent people such as you, but we do want to keep the city safe.

**Jenny Jones AM:** Thank you.

**Roger Evans AM (Chairman):** Assembly Member Arbour?

**Tony Arbour AM:** Contrary to what you have heard, Mr Mayor, there are residents of London who think you have actually done a very good job on policing. My constituents show the highest levels of confidence in policing that there have ever been. They are grateful to the MPS for the very substantial reduction in crime that there has been and they are glad that they are able to feel so much safer.

However, today we are discussing the police budget and I am concerned to know how it is that you propose in future years the budget gap is going to be closed. In 2016 and 2017, there is a prediction that the budget gap will be £189 million, and by 2020 it will have risen to £800 million. We have been very impressed and I suspect even those people sitting on the other side of the Chamber have been very impressed about the way you have been able to lever money out of the MPS's surplus assets, for example with the sale of New Scotland Yard and so on, but of course you can sell these buildings only once. How do you propose filling these budget gaps?

**Boris Johnson (Mayor of London):** I agree. As Bernard Hogan-Howe has said and as the Committee has heard, yes, there is going to be a tough financial environment for policing. I am confident - and so is Stephen Greenhalgh, the Deputy Mayor for Policing and Crime - that further economies can be found and different ways of working.

We are going to look at business support services and how we can reduce operating costs for the MPS. We are looking at the management levels and the numbers of commands and seeing whether there is more that can be done there. We are further developing the commercial strategy. You will appreciate the very considerable success and I pay tribute to the Deputy Mayor for Business and Enterprise, Kit Malthouse, for his foresight in the property deal that he did for New Scotland Yard, which you will remember. That made the taxpayer about

£300 million, probably, or £150 million at least. That is the kind of deal that we can continue to progress. There is scope for taking further costs out by looking at mobile technologies, making the police more agile, integrating policing and the criminal justice system more effectively to take costs out for both and generally improving the productivity of the MPS.

However, in the end, it will come down to an argument about funding and an argument about London. I will be campaigning – as I am sure all of us will be campaigning – for proper funding for London. This is a city that is growing, that has huge needs, that has huge inequalities and that has still, in spite of all the progress that has been made, an unacceptable level of criminal behaviour. We need to make sure that it does not get out of control again and that we have a lot of police out on the streets. Yes, we have to continue to make economies but, yes, we also have to campaign for more funding for London. That is one of my jobs.

**Tony Arbour AM:** Can I draw your attention in the light of you talking about inadequate funding – and indeed I have never known local government anywhere to complain about being underfunded by central Government and so there is nothing new there – to one particular area where –

**Boris Johnson (Mayor of London):** Do you mean ‘overfunded’?

**Tony Arbour AM:** There is one particular area where the Government does seem to be coming forward very slowly in assisting us with funding and that is in relation to the general increased security and general increased expenditure that there needs to be in relation to terrorism. My understanding from the figures I have here is that the Government has voted very substantial sums to be spent on the prevention of terrorism but has been failing to release them to the MPS.

**Boris Johnson (Mayor of London):** I am concerned about this, Tony, and thank you for raising it. I know that other Assembly Members are also concerned.

We need to sort this out very fast. There is a £130 million or £140 million budget that was voted for this purpose. In the MPS, ordinary police officers are in the front line of the campaign against terrorism and stopping young people getting involved in the nightmarish groups that we have seen over the last few years and we need to support that activity. The need for counterterrorism funding in London has increased since the whole Syria/Iraq crisis blew up. We have probably 600 young people from Britain out there. Many of them are from London. They are returning to London and they present a substantial extra threat. We need the funding to deal with that. That is certainly a point that the Government understands, but we are yet to see the funding that we need.

**Tony Arbour AM:** In relation to London having to bear the brunt of what clearly is a national matter – terrorism – I wonder whether or not you think there might be more to be gained from the reconfiguration of police forces around London instead of it being entirely the MPS having to deal with various county constabularies and so on. Just as we are looking for joint working within the GLA family, do you not think that there are prospects for substantial savings to be made within the policing family?

**Boris Johnson (Mayor of London):** I know that this is something that Sir Bernard Hogan-Howe floated, I think, before Christmas when he said that there might be an amalgamation of police forces around the country in order to save money. That is something, obviously, that I would argue I listened to with interest. I think we have to be careful how we in London develop that argument. I very much hope that the Home Office will want to look at that seriously and to verify exactly what kind of economies can be made. I think one of the difficulties that may arise is that we have created this idea of the Police and Crime Commissioners (PCCs), who are meant to have this very strong local authority and accountability. How would they be affected? How would that whole concept be affected by the kind of reform that you are proposing? It is not obvious to me

how the two ideas cohere. How do you have local accountability and responsibility for policing whilst amalgamating forces? That does not seem to me to work very easily.

**Tony Arbour AM:** It is very interesting you say that, because of course you are our PCC, and I do not think that anyone has suggested that the level of accountability has fallen because you have taken on that role. I think the jury is still out on PCCs elsewhere in the country.

Nevertheless, I think it is incumbent, given the size of the budget gap that we have and our reluctance to meet the budget gap by reducing the front line, we have to look at more radical solutions. What I am proposing to you is this - and we in our group are very keen on this - that you do consider looking at this with some form of lateral thinking. There has always been a view that the MPS somehow or another is absolutely perfect in the way that it is configured, and really somebody ought to be looking at it radically. The truth of the matter is it has not been looked at radically since the establishment of the GLA. That was 15 years ago, and we seem to have failed to do that. I would have thought, Mr Mayor, given the size of the budget gap that the police have to use, and given our overall priority in ensuring that crime is reduced - and there is the increasing confidence that you have already gained for policing in London - to ensure that it is continued, you should be looking or you should be encouraging your Deputy Mayor to be looking at more radical proposals for making these kinds of substantial savings.

**Boris Johnson (Mayor of London):** Are you talking about within London, within the boroughs?

**Tony Arbour AM:** No. What I --

**Boris Johnson (Mayor of London):** Outside London?

**Tony Arbour AM:** No. What I am saying is, just as we have discussed many times, certainly in my membership of the Assembly, amalgamation, for example, of all the blue light services.

**Boris Johnson (Mayor of London):** Yes. Thank you, Tony. I agree with you completely. There is lots of work that can be done on procurement, on human resources (HR), on IT, all sorts of ways to achieve economies of scale within the GLA family and the blue light services. I completely agree with that. I think the Assembly may be coming on to that later, but that is something I certainly think we should be taking forward at greater speed.

**Tony Arbour AM:** Yes. Just one other thing which actually arises out of what Mr [Andrew] Dismore was saying as someone who is electioneering simply for a particular parliamentary constituency. It was very interesting, his proposal that if you did not spend what he alleges is a penny a day, all these additional police officers would be recruited. Regarding every proposal which the Labour Party has made - and indeed the other smaller parties on this Assembly have made - for saying that if we increase tax, that money should be hypothecated for a particular service, is it not your experience that hypothecation is always proposed but never actually takes place?

**Boris Johnson (Mayor of London):** Yes, and the congestion charge - says Nicky [Gavron] from a sedentary position - is simply fed into TfL's coffers and does not go towards necessarily improving the roads or alleviating congestion. It is all fungible.

What I think is so telling about it is they persist in their delusion that the only solution, everywhere and always, is to whack up taxes. That is what they want to do. There are better ways of improving government in our city, and that is what we are doing.

**Tony Arbour AM:** OK. Thank you, Chairman.

**Roger Evans (Chairman):** Do you feel you have been misrepresented in some way?

**Andrew Dismore AM:** I do, yes. (Overspeaking)

**Tony Arbour AM:** You did say it.

**Roger Evans (Chairman):** I do not think there was room for misrepresentation there. Assembly Member [Gareth] Bacon. The use of Members' names is not an automatic ticket for them to get a chance to say something on the back of it. Mr Dismore, if you wish to contribute, then raise your hand and do it as a question and we will take it out of your time.

**Andrew Dismore AM:** He made me (Overspeaking)

**Roger Evans (Chairman):** Are you asking a question?

**Andrew Dismore AM:** No. I am raising a point of order.

**Roger Evans (Chairman):** Right. In that case, we will move on. Assembly Member Bacon.

**Gareth Bacon AM:** Yes, thank you, Chairman. Mr Mayor, I would like to take you back to the exchange that you had with the much-admired Member for Barnet and Camden, who would not dream of electioneering in this chamber.

I am about to be nice to you. Mr Mayor, from the moment you became Mayor, it seemed that the Labour Party were sure that you were about to take a big axe to police numbers. I think some of the more fair-minded among us can see that you fought tooth and nail, despite, as you said earlier, the massive cuts in funding and the seven years of famine, effectively, that we have had economically since you have been Mayor, to keep police numbers at or around the highest level that they have ever been in the history of London.

Some of the more thoughtful and intelligent members of the Labour Party, such as John Biggs, have actually tried to move the debate on. Instead of attacking you for cutting police numbers, they have started to look at what you could do with the police, rather than, as the phrase goes, 'fetishizing' police numbers. Here we are today; the budget is being set and there is a general election in the air. I am sure that has nothing to do with it, obviously. Do you share my regret that they have descended into the usual shouty nonsense that we have had for the last seven years, and will you accept the congratulations of the Conservative group in maintaining police numbers in the face of severe economic downturn?

**Boris Johnson (Mayor of London):** I am grateful to you guys very much. I am generally grateful to GLA Conservatives for your support, but I think there is a serious point and I think it is something that people need to bear in mind as we go forward. I was asked, I think, in a previous, slightly more productive session of this budget scrutiny process about why I was so insistent about the front line numbers. What the police will say - I remember Martin Tiplady [former Human Resources Director, MPS] saying right at the beginning of my mayoralty, "Do not worry about the numbers. There are other things". Actually, I think that is a fallacy. If we look at how policing works in London, the need Londoners have to see police out of the streets and the confidence that that engenders, I think it would be a big mistake to say to the police, "You can let the numbers fall and we will try to find the funding in some other way," because all that would happen, I am afraid, is that you would not drive the economies that you need to see in the non-front line areas. That has always been my thinking about this slightly arbitrary number of 32,000. It is part of a political imperative to put the



squeeze on the areas where we think the savings could be found, a lot of which I mentioned in my answer to Tony. That was the thinking behind it.

**Gareth Bacon AM:** Thank you, Chair.

**Roger Evans (Chairman):** Assembly Member [Kit] Malthouse.

**Kit Malthouse AM:** Mr Mayor, I completely agree with your strategies. You would be surprised. It is absolutely true to say that the police are less likely to take severe action on their toys, buildings and all the other bits and pieces if they are not constrained in some way as they are around numbers. While I welcome that, I wonder if there are other areas of activity in the MPS which are still a priority where you would seek through the budget to protect capacity? For instance, we do not talk very much in this horseshoe any more about gangs, yet the gang problem has not receded. I am conscious that you --

**Boris Johnson (Mayor of London):** It has receded but it has by no means evaporated.

**Kit Malthouse AM:** No, it has not gone, and I wondered whether you were seeking to protect capacity of the Trident Gangs Command. I noticed that you launched, I think, last year a new cyber command, which is about the same size, and it would be a mistake to see the Trident Unit reduced in capacity while there is still a problem here in the city. Would you consider ring-fencing the budget --

**Boris Johnson (Mayor of London):** I totally agree with that, Kit. As far as I know, Trident, the anti-gang operations, all the big wins that we have done on gang crime, all those are still budgeted for. Actually, gang crime and knife crime, those crimes are among those that are well down. The non-domestic violence with injury (VWI) that we have been seeing, and we have really dug into that, is not gang-related. It is not a function of the gangs. This is something to do with, basically, alcohol abuse in town centres and that kind of thing, as well as a number of other things, but the actual war on gangs and all the other interventions are continuing to be successful, though of course not decisive. This problem is still there. There are still too many young Londoners who are being attracted to this stuff. That is why projects like Kicks are so fantastic. That is why mentoring is so important. The Cadets. All that stuff. The apprenticeships. These are wonderful programmes. Kicks - we did a big Kicks event the other day - has probably reached about 100,000 kids in London now, and that is not to be sneezed at. Frankly, I would like to see it go even further.

**Kit Malthouse AM:** The other area that I just wanted to ask you to consider protecting capacity is a subject we do not talk very much about in this horseshoe at all, and that is child abuse and child cruelty. I am conscious that we spent more on the phone hacking investigation than we have on the investigation of child abuse over the last 12 months. Do you think this is an area where the MPS could place more emphasis?

**Boris Johnson (Mayor of London):** I hesitate to repeat my views about the whole phone hacking saga because clearly there were serious offences that needed to be rooted out, but I think most commonsensical people would want to see the police devoting their energies to stamping out really appalling crimes like child abuse and the grooming and sexual exploitation of children and all that, all those crimes, in addition to their work on journalistic standards and those crimes.

**Kit Malthouse AM:** It was, what, £44 million for --

**Boris Johnson (Mayor of London):** I have to say, journalists who have broken the law, who have stolen information that they should not have, should be jailed or pay the price in some way or other, but let us move on.

**Kit Malthouse AM:** It seems to me an odd equation to spend £44 million on investigations that result in jail sentences of 18 months. The proportion in severity of the offence.

Anyway, the final area I just wanted to plead for on protecting capacity through the budget is my old favourite, dangerous dogs. The Commissioner has said that the unit will continue, but in my view it could expand. I think of all the issues in particular, parts of London, I have to say, that degrade people's quality of life, the prevalence now of these dogs which do not seem, in my perception, to diminish in number, the ongoing injuries and attacks, not just on humans but on other pets that are caused, are still a serious concern across the city. I have to say, whatever it is, four or five years since we launched, I am a little sad that we have not made more progress, albeit the law has recently been toughened on dangerous dogs. Is there any chance you could ask the Commissioner to increase capacity on the Dangerous Dogs Unit?

**Boris Johnson (Mayor of London):** I will certainly look. We have this Dangerous Dogs Unit which we set up, as you know, and I totally agree with you about the air of menace and the intimidation that one of those dogs can bring with it. I do not like it. I want them properly controlled. I think the difficulty is that one man's dangerous dog is another man's beloved old pooch, and that is the problem. We had that problem, if you remember, with the original dangerous dogs legislation in the 1980s.

**Kit Malthouse AM:** It is quite clear. There illegal breeds of dog which are still openly paraded on the streets of London with no enforcement. If someone was wandering around with a revolver, the police would be there like a shot, but the fact that this thing is a dog does not seem to attract the same level of importance, even though it is not nearly as frightening.

**Boris Johnson (Mayor of London):** When I refer to a dangerous dog being a beloved old pooch, some of the dogs that have been involved in attacks, as far as I understand it, are not illegal breeds. It is very difficult to produce perfectly drafted legislation on this. I will certainly make enquiries, Kit --

**Kit Malthouse AM:** Thanks.

**Boris Johnson (Mayor of London):** -- about whether the MPS feels that it could do more about dangerous dogs and weapon dogs.

**Kit Malthouse AM:** That would be very kind. Thank you.

**Boris Johnson (Mayor of London):** They are a scourge.

**Roger Evans (Chairman):** Right. Are there any more questions on policing and crime? Then we will move on to the Fire and Emergency Planning Authority. Are there any questions on fire and emergency planning? No. We all seem to be happy with that. We will move on to Transport for London. The Conservative group has the lead question there.

**Richard Tracey AM:** Thank you, Chairman. Mr Mayor, you have made some fine announcements about the successes and investment on Crossrail and the Tube upgrades, and can I particularly thank you for completing the Northern line upgrade just before Christmas, which was in my constituency as well as many others here?

**Boris Johnson (Mayor of London):** And the extension coming.

**Richard Tracey AM:** Indeed, the extension coming. We are looking forward to that, most certainly, and of course onward to Crossrail 2. Can we, from our side, just offer you a few suggestions of other savings that could be made in the overall really very large TfL budget?

First of all - we brought this up with you before but we are going to do it again - the matter of nominee passes for TfL staff and indeed their nominees. Particularly the nominees. We do feel that there is a great opportunity for saving money by wiping these things out. What is your feeling now about that?

**Boris Johnson (Mayor of London):** My feeling is pretty much what I have said to honourable Members of the Assembly over the last six years. Basically, you would be disrupting the terms and conditions of a lot of their employees in London. The marginal cost of the nominee pass system is actually not very great. I dispute the statistics that you have. I think that there are other and better ways of saving money without fundamentally alienating a huge number of very hardworking people who do an amazing job for London. If you look at the reputation of the London transport in the last few years, it has been more or less transformed, and people around the world now look at what is happening in our city with admiration and approval, which certainly was not the case when I was growing up. If you look at where the big savings are to be found, we will continue with reforming the stations. You will be familiar with the Fit for the Future programme. We save £181 million there. We can save £310 million through more efficient Tube track maintenance and renewals. £164 million through additional back office and contract savings. As you have seen in the paper this morning, we think there is the prospect of £3.4 billion net commercial revenues, and this is something that GLA Conservatives, particularly yourself, Dick, have really championed. You saw what TfL said this morning in the paper.

**Richard Tracey AM:** I read it in detail. Very pleased to see it.

**Boris Johnson (Mayor of London):** £1.2 billion from advertising. £1.1 million from property development. £800 million from property rental, including retail. £0.4 billion from sponsorship and car parking and other such revenue streams. That income goes straight into our ability to hold the fares down and our ability to invest in the system. That is, I think, where the big savings are to be found, and they will continue to be found. We think we can deliver £16 billion of efficiencies through to 2020/21.

**Richard Tracey AM:** That is very good, but can I just bring you back to nominee passes?

**Boris Johnson (Mayor of London):** You can.

**Richard Tracey AM:** Particularly the iniquitous bits.

**Boris Johnson (Mayor of London):** I gave my answer.

**Richard Tracey AM:** I think we can accept that there are TfL staff that probably deserve the sort of support you have talked about, but it is all these friends and family and lodgers and all the rest of it. These are the allegations.

**Boris Johnson (Mayor of London):** Roger.

**Richard Tracey AM:** Can I just bring to your attention the fact that although we have heard in the past --

**Boris Johnson (Mayor of London):** Roger Evans.

**Richard Tracey AM:** -- that there is some contractual obligation, at the time of the bus strike recently, a directive went out from Transport for London - I assume under Sir Peter Hendy's [Commissioner of Transport for London] hand - to the bus garages to ask them to point out to workers that if they were going on strike,

they could not use the travel concessions on that day, nor could their nominees? It does not sound to me like some sort of contractual obligation if it can be waived on days like that.

**Boris Johnson (Mayor of London):** That is a very interesting legal point. Let me look into that. That is a very interesting legal point. That is a very interesting point. I will look into that. I cannot give you an answer off the top of my head because if, after all, it is a contractual benefit, then it would be difficult for TfL unilaterally to waive it on the occasion -- sorry, that is not true, because they do not get paid. That makes perfect sense. They do not get paid on strike days. They do not get paid on strike days. Sorry, that is perfectly logical. There is no reason at all why they should be able to use their benefits on strike days.

**Richard Tracey AM:** We do have the copy of the notice that went out certainly in one bus garage that I know well, and it did actually say that these passes may be cancelled, suspended or withdrawn at any time that TfL may see fit. That is a pretty open-ended --

**Boris Johnson (Mayor of London):** No, that would be to punish bad behaviour or abuse or whatever, and that is entirely reasonable. That will be written into the terms of the contract. On your point about withdrawing them on strike days, it is perfectly sensible to withdraw that benefit on strike days, since pay is also withdrawn on strike days.

**Richard Tracey AM:** I will leave it with you to go and talk to the lawyers, which you said you would.

**Boris Johnson (Mayor of London):** I revert to my original answer. The net benefit to the TfL budget of withdrawing this perk would be massively outweighed by the alienation and disgruntlement of many thousands of hardworking London transport workers.

**Richard Tracey AM:** As I said before, I do not think, frankly, the public support it particularly for all the extra people that seem to benefit from it, apart from the actual staff.

**Boris Johnson (Mayor of London):** What the public support is the improvement of transport services in London, which is being led and delivered by thousands of TfL employees.

**Richard Tracey AM:** We pay tribute to them, but not to the nominees that seem to be picking up the perks.

On fares, Mr Mayor, we have heard quite a bit over the months and years from the other side of this chamber about freezing fares and so on. How do you think they can possibly justify this when, for example, they also oppose the closing of the ticket offices, used only, we are told, by about 3% of the travellers? How are they going to find the money for freezing fares? How are they going to make up the £50 million they lose from closing ticket offices and so on? This is what concerns us on this side.

**Boris Johnson (Mayor of London):** Dick, as usual, you are completely right. They were absolutely incoherent in what they were saying in the last mayoral election and they were basically rumbled by the electorate. Yes, it is perfectly true that my position on ticket offices evolved, but the number of people using ticket offices declined very sharply in the seven years since I have been Mayor. When you have technological improvements, when you have changes in the habits of the travelling public, you have to be positively Neanderthal or a supporter of the Labour Party to continue to oppose those changes and to stand in the way of progress. We do not stand in the way of progress. We make progress our friend. We use technological developments to improve the lot of passengers and customers on our networks, and that is what we are doing.

**Richard Tracey AM:** Have you at any time during this debate about their ideas of transport heard any suggestions of any single future projects that should be cancelled?

**Boris Johnson (Mayor of London):** No. To be fair to Labour, what they say is that there are unspent funds on either the capital or the revenue side that could be used for fare abatements, and that is not correct, because all the funds that you see in those budgets are there for investment in absolutely vital programmes for the improvement of our city. As I have said before, I am not going to be bounced into approving the trampoline. Those programmes are essential for the health of the London economy, and if you really want to hurt working people it is to stuff up their transport network so they do not have a prayer of getting from where they live to where they work in a timely and comfortable way.

**Richard Tracey AM:** Indeed. A couple more possible savings that we suggest. You will remember that we made a proposal to fund a rollout of 1,000 global positioning system (GPS) panic buttons to protect front line TfL staff.

**Boris Johnson (Mayor of London):** Yes. I had forgotten that.

**Richard Tracey AM:** Bearing in mind that the purchase of these would cost under a fifth of what workplace violence costs TfL every year, it is clearly a worthwhile investment and a sensible one.

**Boris Johnson (Mayor of London):** I am interested in that idea. As you will know, we now have closed circuit television (CCTV) on all buses. Crime on buses is down now by 45% since I was elected and continues to fall. When I was campaigning in 2007 and 2008, it was a thing that people were bringing up everywhere, argy-bargy on the buses. That is now well down. The Tube is now the safest metro system anywhere in Europe. We should be very proud of that. If we can drive crime down still further - we have spoken a little bit about sexual harassment; I am concerned about that - against our employees with panic buttons, I will have a look at it. What happens is you have a button about your person and you just press it.

**Richard Tracey AM:** Press it if you are attacked or if there is a problem, yes.

**Boris Johnson (Mayor of London):** Yes. Right. OK.

**Richard Tracey AM:** We laid out the whole idea for you.

**Boris Johnson (Mayor of London):** I am willing to look at it.

**Richard Tracey AM:** The last one is another idea which we have brought up, but frankly, four years ago I think it was, we had a cross-party committee which decided unanimously that the TravelWatch was not a justified piece of expenditure by the GLA, and we suggested then that it should be removed from the GLA budgeting, and conceivably it should be merged with Passenger Focus.

**Boris Johnson (Mayor of London):** My anxiety about that was that we would be seen to be trying to reduce the ability of Londoners to scrutinise us, and I think that that was my worry. TravelWatch is there to stick up for the travelling public. I felt that it would have been taken as a slightly totalitarian thing to do.

**Richard Tracey AM:** We did have cross-party agreement on this. In fact, I think it was the Department for Transport that would not allow us to go for the legislative change, the amendment that would be needed to do this, which would either pass the cost over to national Government if the Department for Transport (DFT) wanted it, or else it would certainly reduce ours but the function would still be there. I do not quite see where you are saying it would be totalitarian.

**Boris Johnson (Mayor of London):** As far as I can remember, it is a pretty small budget for TravelWatch.

**Richard Tracey AM:** It is, I think, increasing in your budget.

**Boris Johnson (Mayor of London):** I am not going to say it is **teeny-weeny**(?), but it is a small budget. I think the advantage of TravelWatch is that you have a supposedly non-political body that represents the opinion of the travelling public. That is an important thing for us to take into account. I would not want to spend a huge amount of money on it. Everybody here, distinguished though they are and great tribunes of the people, you are all politicians and you are all rightly grinding political axes of one kind or another.

**Richard Tracey AM:** OK. Thank you, Mr Chairman.

**Roger Evans (Chairman):** Right. Thank you. I am told the amount of funding for TravelWatch is staying the same, and the reason for it looking different in the papers is because of rounding up and down different practices in different years. Is that correct, Mr Mayor?

**Boris Johnson (Mayor of London):** I am told that is correct. It is a matter of rounding.

**Roger Evans (Chairman):** A matter of rounding. OK. Can we have Assembly Member [Caroline] Pidgeon next?

**Caroline Pidgeon MBE AM:** Thank you. I would like to come back to the topic of fares and the off-peak, pay-as-you-go daily cap for outer London that we discussed last week. TfL has estimated to us that the cost of reintroducing the off-peak, pay-as-you-go cap for zones 4 to 6 would be only around £10 million, and we know from your recent answer – I think it came out yesterday to me – that 25,000 passengers in outer London are now paying more every day due to your decision to remove this off-peak daily cap for outer London. Many will be paying significantly more. Given this, will you amend --

**Boris Johnson (Mayor of London):** About 5,000 will be paying that.

**Caroline Pidgeon MBE AM:** Given this, will, you amend your final budget to scrap this hike in fares for outer London?

**Boris Johnson (Mayor of London):** I just want to repeat the points that I have already made, and I am grateful to many Members of the Assembly, both from the Conservative side and the Labour side and everywhere. I think that James [Cleverly], Steve [O'Connell] and loads of people --

**Caroline Pidgeon MBE AM:** OK. This is my time, thank you.

**Boris Johnson (Mayor of London):** -- have brought this up with me. As I said, the reason for the problem is that, typically, the tickets that we are talking about will be very largely driven by price rises by the train operating companies (TOCs). I think the last time somebody mentioned a fare in from Kingston or from Sutton, those prices are set by rail companies over which we have no control. We should have control over those fares and there should be more accountability to London and there should be a devolution to the London-accountable bodies of the responsibility for setting all the fares. In the case of --

**Caroline Pidgeon MBE AM:** To change this policy of yours would only cost £10 million. It would help 25,000 passengers a day.

**Boris Johnson (Mayor of London):** The overall package to cap the off-peak and to cap the part-time fares, to cap the daily fares in London, has been of massive benefit to millions of people. As you will know, the

campaign that GLA Conservatives ran to have effectively a part-time ticket was successful and we have reduced the daily caps. There is a small group --

**Caroline Pidgeon MBE AM:** Mr Mayor, 25,000 people a day is not a small number. It is not insignificant. Many people in outer London are affected by this.

**Boris Johnson (Mayor of London):** There are millions who have done better. There is a group --

**Caroline Pidgeon MBE AM:** Just a yes or no: will you review this for your final budget?

**Boris Johnson (Mayor of London):** -- and the answer is the same as I have given to you and to other Members of the Assembly before, and that is we are certainly looking at it and seeing what alleviation we can make and seeing how we can improve the package. I think what you should do, Caroline, is congratulate TfL, as ever, on their imagination in producing a fantastic package for most part-time workers. There is this anomaly, which you have rightly pointed out, in respect to the off-peak caps. We need to look at it. We are looking at it. If we can come up with a solution that is not prohibitively expensive, then we will.

**Caroline Pidgeon MBE AM:** £10 million, TfL say. £10 million.

**Boris Johnson (Mayor of London):** We will look at it.

**Roger Evans (Chairman):** The Liberal Democrats are out of time. Assembly Member [Darren] Johnson.

**Darren Johnson AM:** Yes, thank you, Mayor. Dangerous junctions. The original dangerous junctions programme first identified 500. That was reduced to 100, and then we just have 33 now. Even with those 33 in the dangerous junctions programme, TfL only expects to deliver ten by 2016 and will not finish all of those 33 until 2022. Is it not time to set aside a little bit more funding from your roads budget, your transport budget, to ensure that we speed up this dangerous junctions programme?

**Boris Johnson (Mayor of London):** As I told you, this budget allows for £4 billion more to go into the roads, and that will go into junctions and roundabouts and dangerous areas of all kinds as the £913 million we are spending on improvements, particularly for cycling. I think that it is no failure of TfL that the number of junctions in operation has come down. Obviously, we are trying to crack the toughest nuts and we have done some brilliant work in junctions across the city. Every single one of these interventions is extremely time-consuming, involves a great deal of traffic delay and is highly expensive. They are not easily performed, but they must be done and they are being done, and we have allocated the funds to do it.

**Darren Johnson AM:** Is it acceptable that these 33 junctions on the programme will not all be completed until 2022? Is that acceptable?

**Boris Johnson (Mayor of London):** We have to proceed in a way that allows traffic to keep flowing in London. By the way, we are continuing to see, in spite of the massive increase in cycling, falls in the number of people being seriously injured. That is a credit not just to the work of the MPS and others in enforcing safer cycling and safer driving, but also to the reforms of the carriageway that we are pushing through.

**Darren Johnson AM:** If we want to make this city safe for cycling and pedestrians and want to make it attractive for both, we need to tackle these dangerous junctions. Can you commit --

**Boris Johnson (Mayor of London):** We are tackling them.

**Darren Johnson AM:** Will you commit between this budget, your draft budget and your final budget to reviewing the timetable for the completion of those 33 junctions and, as a consequence of that, reviewing whether the funding needs to be looked at again? Will you commit just to that one simple request ahead of your final budget?

**Boris Johnson (Mayor of London):** I will certainly commit to looking at it, Darren. I will not commit to changing the timetable. The timetable is very aggressive. It involves a great deal of disruption for London road users. We have to get on and do it. You will be familiar with the argument that is currently under way about the Cycle Superhighways. I think they are fantastic and I think they are the right way forward for our city, but there will be people who will be under misapprehensions about them and people who worry that there will be excessive delays introduced as a result of these beautiful and beneficial schemes, but we will minimise those delays.

**Darren Johnson AM:** You will commit to looking at it ahead of your final budget?

**Boris Johnson (Mayor of London):** I will.

**Darren Johnson AM:** Thank you.

**Roger Evans (Chairman):** Assembly Member [John] Biggs.

**John Biggs AM:** Thank you, Chair. It will not surprise you that Labour members – I think the evidence is getting stronger and stronger on this – take the view that you have your eye very much off the ball and, if I could paraphrase it, that in your role as London Mayor you should worry less about Kalashnikovs and more about commuters. This is about fares again. Can you answer a simple question? Do people who live in outer London have a realistic choice about whether they use the public transport system to get to work in central London?

**Boris Johnson (Mayor of London):** Many people in outer London do not benefit from public transport in the way that they might, and it is because of the --

**John Biggs AM:** I am talking about the ones who travel into central London.

**Boris Johnson (Mayor of London):** -- investments that we are making that we have the prospect now of extending the Bakerloo line, of putting in Crossrail 2, which will be massively beneficial to people both in the south west and the north east of London, and extending the tram in south London. Those are fantastic projects.

**John Biggs AM:** I think in your non-answer to that question you are recognising --

**Boris Johnson (Mayor of London):** I do not know quite what your non-question is supposed to be.

**John Biggs AM:** The question is whether the people, for example, that you aspire to represent in Uxbridge – or wherever it is, Ruislip – have a choice, if they work in central London, other than to use the public transport system, a realistic one. They could get up at 1.00 am and walk, I suppose, or they could drive, which would be probably more expensive. They do not really have a choice. They have to use the public transport system. I think you would have to concede also --

**Boris Johnson (Mayor of London):** Unlike some Labour Assembly Members, I will, if I may, refuse your invitation to engage in naked electioneering about any particular area of outer London. What I will say is that



we have massively improved transport in this city. If you look at what is happening on the Northern line, as we have just pointed out --

**John Biggs AM:** Do they have a choice? Do they have a choice?

**Boris Johnson (Mayor of London):** -- we have just upgraded that. The District and Central lines have been upgraded --

**John Biggs AM:** OK. Let us get to the nub of the question then.

**Boris Johnson (Mayor of London):** -- and overall capacity on the Tube has gone up by about 40%.

**John Biggs AM:** Given your inability to answer that question, I think the obvious answer is that they do not have a choice. It is a rhetorical question.

**Boris Johnson (Mayor of London):** Of course they have a choice; they can use cars if they want.

**John Biggs AM:** They could become unemployed, I suppose. They could go and live in another city. They could emigrate.

**Boris Johnson (Mayor of London):** They can use cars. Of course they have any number of choices.

**John Biggs AM:** They could die, I suppose, as well, but they are not realistic choices.

**Boris Johnson (Mayor of London):** Thanks to the investments of this mayoralty, they are able to use ever-better public transport.

**John Biggs AM:** If they want to support their families, if they want to be hardworking Londoners and support their families --

**Roger Evans (Chairman):** Can we just stop because we cannot keep a record of both of you speaking at once?

**John Biggs AM:** I am sure there are people more than able to do that.

**Roger Evans (Chairman):** I think, Mr Biggs, you should ask your question and then the Mayor should answer it.

**John Biggs AM:** OK. The point is they do not have a choice, and the fares that they have to pay, if they are travelling Londoners who work industriously in central London or in inner London for a living to support their families, they have no choice, and, therefore, that your fare rises are effectively a stealth tax for Londoners.

**Boris Johnson (Mayor of London):** OK. If you are asking a serious question about fare increases --

**John Biggs AM:** They have all been serious questions.

**Boris Johnson (Mayor of London):** Actually, they have had no point whatever until the last one.

**John Biggs AM:** It is for me to judge that.

**Boris Johnson (Mayor of London):** The fare packages that we have brought in have been entirely designed to enable us to be as reasonable as possible to the travelling public whilst continuing our programme of investment in the city. In the last two years, both in 2014 and this year, we are keeping the fare increases at the RPI. We are holding them down. That is absolutely vital that we be as moderate as we can, but it is also vital that we invest in the networks – in the Tube, in the rail – that Londoners need. It would be criminal not to go ahead with the upgrades of the Tube, with the investment in the Piccadilly line, the new trains that are going to need, the investment in Crossrail, when London is growing at the rate it is.

**John Biggs AM:** Can I be helpful by agreeing with you?

**Boris Johnson (Mayor of London):** I am obliged to you for agreeing with me, but I would further point out a point I think you will also agree with, that it is also essential to try to protect vulnerable Londoners from the impact of fare increases.

**John Biggs AM:** Indeed, and that is precisely the point.

**Boris Johnson (Mayor of London):** We have in this city a 24-hour Freedom Pass introduced by Conservatives. Wake up. That is it. Jesus Christ. Wake up. Introduced by Conservatives, the thinkers and the doers. We have a 24-hour Freedom Pass for every old person over 60 in this city, a benefit nowhere else obtainable in the rest of the country.

**John Biggs AM:** OK. This is not my question, by the way. It is not a party political for the Conservative Party.

**Boris Johnson (Mayor of London):** We have cut-price travel for kids. We have cut-price travel for veterans, for disabled people and for people in search of work, and that is progress introduced by the Conservatives or guaranteed by the Conservatives.

**John Biggs AM:** Right. The fundamental foundation of our alternative proposal, which will be supported in a number of ways by other parties here today, is that TfL, as has been established again and again at my Budget Committee across the parties, is a rather bloated bureaucracy and it can afford to take some of the strain, it can afford to do that, without jeopardising its investment programmes. You have failed to answer that question.

**Boris Johnson (Mayor of London):** No. I --

**John Biggs AM:** TfL has the capacity to continue its investment programme while softening the blow of fare increases, certainly this year, for London's travellers, without causing any jeopardy to its investment programme.

**Boris Johnson (Mayor of London):** OK. That was certainly the view, or rather the promise, that was made to the London electorate by the previous Mayor, who did --

**John Biggs AM:** It is a fact.

**Boris Johnson (Mayor of London):** -- try to hold down fares before the election and then found that in order to meet the needs of the city, he was obliged to whack them up precipitously after the election. That is not, in my view, a reasonable way to proceed. You should be stable, you should be reasonable, and you should be fair with Londoners about what you are trying to do.

**John Biggs AM:** Thank you.

**Boris Johnson (Mayor of London):** Actually we have taken out huge sums in cost already. We have further economies of £16 billion, 25% of TfL directors have found alternative employment, we have disposed of about 40 buildings already, and you saw from the paper this morning that we have a £3.4 billion programme of further disposals just on the buildings and advertising side alone.

**John Biggs AM:** OK. That is enough of your filibustering.

**Roger Evans (Chairman):** OK. Assembly Member Valerie [Shawcross].

**Valerie Shawcross CBE AM:** Thank you very much, Mr Mayor. We are a city with some of the highest fares in the world. We have had seven years of continuous increases. We have terribly overcrowded systems in London, hundreds of thousands of passengers --

**Boris Johnson (Mayor of London):** Not simultaneously.

**Valerie Shawcross CBE AM:** -- struggling to get in to work in the morning. None of the serious projects you have mentioned, like Crossrail or the Tube improvement, started or were promoted by you. They were from your predecessor or they are projects from the London boroughs or from London First.

**Boris Johnson (Mayor of London):** Indeed. Who invented London?

**Valerie Shawcross CBE AM:** Can I just ask you about and hold you to account for how you have spent Londoners' money on so-called transport projects over the last seven years? The cable car, which *The Evening Standard* described as "pitiful," was found to have just four Oyster Card users, and *The Independent* said it carried only 300 passengers a day. It is true or false, Mr Mayor --

**Boris Johnson (Mayor of London):** It is complete rubbish.

**Valerie Shawcross CBE AM:** -- that you said that that £61 million project, "Wouldn't cost taxpayers a penny"?

**Boris Johnson (Mayor of London):** By the way, there have been massive increases in the Emirates airline, and --

**Valerie Shawcross CBE AM:** Did you say that that project, "Wouldn't cost taxpayers a penny," Mr Mayor? True or false?

**Boris Johnson (Mayor of London):** -- it is the only form of transport infrastructure in London that will cover both its capital and its revenue.

**Valerie Shawcross CBE AM:** Did you say, Mr Mayor, that that, "Wouldn't cost taxpayers a penny"? Yes or no?

**Boris Johnson (Mayor of London):** It will cover both its capital and its revenue costs --

**Valerie Shawcross CBE AM:** Yes or no? Did you say it was going to be free?

**Boris Johnson (Mayor of London):** -- within the next six years. What, free to use? No. Certainly not.

**Valerie Shawcross CBE AM:** OK. Sorry. Let me move on to another one then: the Routemaster bus.

**Boris Johnson (Mayor of London):** I think it is quite right. It is a wonderful thing.

**Valerie Shawcross CBE AM:** The Routemaster bus, Mr Mayor.

**Boris Johnson (Mayor of London):** I urge you to get up on the cable car and, if possible, stay there.

**Valerie Shawcross CBE AM:** I have been on the cable car, Mr Mayor, but I felt rather guilty because --

**Boris Johnson (Mayor of London):** You will find that it is the most wonderful --

**Valerie Shawcross CBE AM:** -- it was **acquired**(?) and it cost London taxpayers £61 million. You said it would not cost a penny.

**Boris Johnson (Mayor of London):** That is completely untrue. Completely untrue.

**Valerie Shawcross CBE AM:** Can I ask you about the Routemaster bus, Mr Mayor? The Routemaster bus.

**Boris Johnson (Mayor of London):** Sorry. Roger [Evans], if I may --

**Valerie Shawcross CBE AM:** Each of those 800 buses costs --

**Boris Johnson (Mayor of London):** -- would you mind if I correct?

**Roger Evans (Chairman):** Carry on.

**Valerie Shawcross CBE AM:** Basically, they are going to cost, just to buy, about £40 million more than it would have cost for a conventional hybrid, another bus, and of course you have to double the staffing costs, and most of them do not meet the Euro 6 environmental standards, Mr Mayor. Do you think that that £40 million extra, minimum, that you have spent on those buses could have been spent on something useful like a disability access programme?

**Boris Johnson (Mayor of London):** These buses are the cleanest and greenest in Europe --

**Valerie Shawcross CBE AM:** Yes or no? Could you have spent that £40 million on something more functional?

**Boris Johnson (Mayor of London):** -- and I think that most Londoners would accept that we had to improve our air quality in the city. These are the cleanest, greenest buses in Europe.

**Valerie Shawcross CBE AM:** They are not the greenest, Mr Mayor.

**Boris Johnson (Mayor of London):** They represent cutting-edge British technology.

**Valerie Shawcross CBE AM:** Most of them fail the Euro 6 standard.

**Boris Johnson (Mayor of London):** They are driving jobs in this country. They are an icon of the city, and I think it very, very sad and regrettable that you seem to be turning against them. You are totally wrong. They are a fantastic investment. They are a fantastic investment for London.

As for what you had to say about the cable car, it is a flat lie. It is a flat lie.

**Valerie Shawcross CBE AM:** Oh, so you did not say it would not cost London taxpayers a penny, then?

**Boris Johnson (Mayor of London):** To the best of my recollection, we had about £36 million --

**Valerie Shawcross CBE AM:** Did you always intend to spend that much money?

**Boris Johnson (Mayor of London):** -- in sponsorship. £36 million in sponsorship. £8 million from the European Union. £8 million from the European Union.

**Valerie Shawcross CBE AM:** It still cost taxpayers £61 million.

**Boris Johnson (Mayor of London):** No, it did not cost that. That is the overall budget, which includes contingency, from which you --

**Valerie Shawcross CBE AM:** The overall budget does not count, then? OK.

**Boris Johnson (Mayor of London):** -- have to deduct the sponsorship and the contribution from the European Union. If you discount the contingency and you look at the actual cost of building that thing, it was virtually entirely covered by private sponsorship and money that was ours anyway, that we got back from the European Union, plus, unlike any other form of transport, it covers its revenue costs. It is a fantastic deal for London, and you sit here snivelling and snarling and moaning and groaning when it is a wonderful thing for the rest of us.

**Valerie Shawcross CBE AM:** All you have to show, Mr Mayor, for seven years in office are fairground rides and fare rises. Is that true or false, Mr Mayor? You have nothing serious that you have added to the lives of passengers and commuters in this city.

**Boris Johnson (Mayor of London):** On the contrary. We have delivered under this mayoralty. We have not only kept fares down as low as we possibly could, we have kept them at RPI this year and last year. We have maintained every single benefit. Indeed, we have expanded them to include a 24-hour Freedom Pass, which many Members of this Assembly will shortly benefit from, and we have continued with every single upgrade of the Tube, with investment in Crossrail, taking forward new, vital infrastructure projects to help this city cope with the biggest expansion in population we have seen in history. That is the right way forward for London.

**Valerie Shawcross CBE AM:** Did you feel guilty, Mr Mayor, for --

**Roger Evans (Chairman):** The Labour group are way out of time. They have managed to get in their sound bites, so I do not think they are losing much at this point.

**Boris Johnson (Mayor of London):** I think the Labour group should feel guilty for their appalling, hopeless -- I think the Labour group should apologise. I think the Labour group should apologise for their --

**Roger Evans (Chairman):** Can you not take the Conservative group's time?

**Boris Johnson (Mayor of London):** -- cretinous mismanagement when they were in office, their inability to control spending and their disastrous and profligate use of public funds when public funds were plentiful.

**Roger Evans (Chairman):** OK. This is neither a question nor an answer, so it does not really belong in (Overspeaking). Assembly Member [Kit] Malthouse.

**Boris Johnson (Mayor of London):** (Overspeaking) absolutely nothing to say.

**Roger Evans (Chairman):** Mr Mayor. Mr Mayor.

**Boris Johnson (Mayor of London):** (Overspeaking) this city forward. This is a budget that will take London forward for the next three, four, five decades, and we should be proud of it.

**Roger Evans (Chairman):** All right. Because of that tirade, I am going to adjourn the meeting now and give everyone a chance to calm down. It may be, Mr Mayor, that we will require you to come back and answer questions for the five minutes of time the Conservative group have left. You might want to debate that with them later on. We will adjourn for precisely an hour, at which point we will return and debate budget propositions which are put forward and deal with the five minutes of questions. We want you back after lunch, Mr Mayor --

**Valerie Shawcross CBE AM:** Yes, go and stand in the corner. Go and stand in the corner.

**Roger Evans (Chairman):** -- to deal with those five minutes of questions, unless you can get an agreement from colleagues that they will deal with it privately.

**Valerie Shawcross CBE AM:** No. No. Back in an hour.

**Roger Evans (Chairman):** The meeting is adjourned.

(Meeting adjourned)

**Roger Evans (Chairman):** Welcome back to the second part of Question Time, and can we control the urge to catcall the Mayor, please?

**Valerie Shawcross CBE AM:** We were clapping him.

**Roger Evans (Chairman):** Right. Some people were. We are nearly at the end of Question Time. The Conservative group is the only group with time left. It has five minutes. Do colleagues wish to ask any questions on Transport for London?

**Steve O'Connell AM:** He is back anyway. As he has returned anyway, I may as well ask my question.

**Roger Evans (Chairman):** Mr [Steve] O'Connell.

**Steve O'Connell AM:** Yes, I may. Caroline [Pidgeon] ran out of time when we were talking about the anomaly of the off-peak outer London cap. The first thing that surprised me was that actually it was not anticipated by TfL. This wind and fire and fury that you are meeting - you will hear about it later - it seems odd to me that they had not smelled out this anomaly. That is my first point.

**Boris Johnson (Mayor of London):** I think, to be fair to TfL, they were probably conscious somewhere in the organisation that they were robbing Peter to pay Paul, or Peter was robbing Peter to pay Paul, so to speak. I imagine that they looked at the overall benefits to Londoners, and although this is not something that I personally spotted as the package came forward, I think they thought that with a million people or more, 1.5 million people are likely to benefit from the part-time travel cap and savings of £500 a year for loads and loads of people, they thought that they had to get the money for that from somewhere, and I presume that they thought getting rid of the off-peak was a price worth paying.

**Steve O'Connell AM:** Yes, I get that.

**Boris Johnson (Mayor of London):** I am conscious that this is something now that you have raised, that other Assembly Members have raised, that there is obviously clear concern about this, and I am quite content, as I said before, to have a look at it. I cannot promise the world, but there is obviously a case. Caroline says the sum is £10 million, but I am not sure if that is the case. We will look at what we can do, as I said earlier on, to alleviate the problem.

**Steve O'Connell AM:** Yes. These are the kind of figures that we do have, and I think we have some ideas that your colleagues will hear about later. My last point on it, really - again it is an example and I am picking up on John Biggs' comments - when you quoted earlier about the overall fares package, many of the beneficiaries were Underground, Crossrail, bus improvements and Routemaster. All these tend to be for zones 1, 2 and 3, and the criticism I have, that many of us have, is that this particular change is hitting outer London, and many people in outer London will not benefit from any of the improvements that you talk about. The bargain I referred to earlier in the previous meeting --

**Boris Johnson (Mayor of London):** I think that would be unfortunate. Actually, the investments that we have made in London transport are massively beneficial for the people of outer London, particularly, as I say, a 24-hour Freedom Pass which is of huge importance to people around the city, the investments in upgrades of the Tube that go right the way to the boundaries of the city and beyond --

**Steve O'Connell AM:** Not to our boroughs, Mr Mayor. Not to our boroughs.

**Boris Johnson (Mayor of London):** -- the support for bus routes, and of course the investment that I know that you and I are keen to progress, to extend the tram link, and this is something that I think in particular Sutton needs to advance. This can only be done, Steve, if political leaders in that area man up and tell the people that it is time to have some development. There are good sites that could come forward for development there, as you well know. That is an argument that will need to be taken to the electorate in Sutton. I look to you with your dynamism to do that and to raise the funds that will be necessary, because this has to be done jointly between TfL and the borough in order to support a regeneration programme in the area.

**Steve O'Connell AM:** OK. I will leave it there because I think someone else wants to ask a question. Thank you.

**Roger Evans (Chairman):** Assembly Member [Kit] Malthouse.

**Kit Malthouse AM:** Mr Mayor, in my experience, the attitude of an organisation towards the taxpayer or farepayer's pound is often best illustrated by the attitude of senior management towards their own personal expenditure. Do you think the hospitality expenses policy that is operated for senior managers at TfL is the right one at the moment?

**Boris Johnson (Mayor of London):** I am aware of the recent stuff that I think you sent me about the disclosure of those who are being entertained at the taxpayer's expense, and I cannot for the life of me see why the taxpayer should pay for the entertainment of people without the identify of those people being made public. That is why I have had discussions with Sir Peter [Hendy]; he completely agrees about that. I think you will soon be seeing some changes there.

**Kit Malthouse AM:** Also taxes, telephones. Your own example of parsimony is legendary on this. You obviously value the taxpayer's pound significantly, and I just want you to promulgate that same attitude in other --

**Boris Johnson (Mayor of London):** It is perfectly true.

**Kit Malthouse AM:** It is true. Exactly.

**Boris Johnson (Mayor of London):** Unlike the previous mayor, I do not squander huge sums of taxpayers' money on vintages of Châteauneuf-du-Pape, some of which we still have in this building, so great and so lavish, with the wine stocks laid down by the previous inebriated mayor. I do not approve of that. I remember the previous mayor not only went to Davos, but he charged the people of London for a pair of highly expensive show shoes. Did those inert, supine Labour members dream of criticising the previous mayor when he charged the people of London for snow boots? What were they doing? They were asleep on the job. They were doing absolutely nothing at all, and it ill becomes them.

**Roger Evans (Chairman):** The Conservative group is now out of time.

**Boris Johnson (Mayor of London):** It ill becomes them to criticise hardworking people in the transport sector.

**Roger Evans (Chairman):** That means that everyone is out of time. Mr Mayor, can I thank you for your answers this morning and for your co-operation with us?

**Boris Johnson (Mayor of London):** Thank you very much. Can I thank you? I much enjoyed the experience.