

Report to the Assembly on the Mayor's Draft Consolidated Budget for 2015-16

Report to: London Assembly

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Report of: The London Assembly Labour Group

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PART A: INTRODUCTION & COMMENTARY¹

¹ This report is made up of two Parts, A and B. The text in Part A does not form part of the formal budget amendments, which are set out in Part B.

**Labour Group Alternative
Greater London Authority Budget**

2015 – 2016

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PART A

1.0 Introduction

As we approach the final year of Boris Johnson's tenure as London Mayor, it is a good time to review his record, and reflect on the legacy he is leaving for the next Mayor and the people of London.

While the Mayor has been quick to trumpet the "amazing success"² of his Mayoralty, he has undermined the ability of his successor to ensure London has a sufficient number of police officers, spent considerable sums of taxpayer's and farepayer's money on 'white elephants' and vanity projects, and leaves behind a significant number of unmet challenges for the next Mayor to address. These challenges include the affordability of housing, the absence of key transport infrastructure projects, the sustainable maintenance of Londoners' safety, and the capacity of London's economy, and its people, to meet the challenges of population growth.

The Mayor also has responsibility to comply with the Equality Act and Public Sector Equality Duty (PSED) to ensure that Londoners live and work without discrimination and unfair treatment. Since May 2010, however, cuts to the public purse³ – and the indirect impact this has had on the third sector – have meant that vulnerable people and those with protected characteristics under the PSED have been unfairly treated.

Research shows that in terms of housing, employment and health, overall opportunities for ethnic minorities have worsened⁴; the gender pay has increased with women in London being paid 87p for every pound a man earns⁵; and, by his own admission in the Annual Equality Report 2013/14, the Mayor states that rates of homelessness and rough sleeping in London have increased during his time in office⁶.

This budget report outlines ways in which we can make London a fairer and more equal place to live for all – something that we should all strive towards, and something that the Mayor has proved himself unable to do.

Small tax cuts, big fare rises...

Despite using his penultimate budget to emphasise his 'determination to cut the cost of living for Londoners'⁷ by implementing a precept cut worth 7.7 pence per week to average Band D household⁸, the Mayor has been responsible for a 47% increase in bus fares and a 37% increase in Tube fares since 2008⁹. While reducing the GLA share of council by £4 in 2015-16, a couple living in Uxbridge using Zone 1-6 annual Travelcards will have seen their annual fare rise by £1,120¹⁰ since Boris Johnson came to power.

² Conservative Party, *Boris Johnson: Speech to Conservative Party Conference 2014*, retrieved 14.01.15

³ HM Treasury (July 2014), [Public Expenditure Statistical Analyses 2014](#). Date retrieved: 16/01/2015.

⁴ The Runnymede Trust (November 2014), [Local Ethnic Inequalities: Ethnic Differences in Education, Employment, Health and Housing in Districts of England and Wales, 2001–2011](#). Date retrieved: 16/01/2015.

⁵ The Fawcett Society (March 2013), [Cutting Women Out](#). Date retrieved: 16/01/2015.

⁶ Greater London Authority (November 2014), [Mayor's Annual Equality Report 2013/14](#). Date retrieved: 16/01/2015.

⁷ Mayor of London (2014), Draft Consolidated Budget for 2015-16, p.1

⁸ Ibid

⁹ Figures supplied by [Transport for London](#), retrieved 23.01.2015

¹⁰ Figures supplied by [Transport for London](#), 'Travelcard seasons', retrieved 23.01.2015

Very soon Londoners will be able to choose a new Mayor and this year's budget discussions form one of the building blocks towards that. In this budget proposal, we give indications of an alternative direction for London's leadership. To this end, London Assembly Labour proposes the following headline programmes:

- **Transport** – Labour Members would reverse the 2.5% increase in transport fares¹¹ that Boris Johnson has already announced for 2015-16. Instead, Labour Members would freeze fares at their current level – putting £98m¹² back in to pockets of hard-pressed Londoners – and restore the off-peak PAYG caps for zones 4-6¹³. In order to benefit all Londoners, Labour members would create a fund for more step free stations and put a further £20m into the cycling budget. To increase bus services for London's poorest communities Labour members propose to add 30 more hybrid buses to the fleet this year. Labour members are keenly aware of the high levels of pollution in London and would therefore begin research into cleaning up the capital's bus fleet. Labour Members are clear that this re-balancing of costs between travellers and the corporate vaults of City Hall is both affordable and timely.
- **Policing** – Labour Members would freeze the GLA's share of the council tax at the 2014/15 level and use the £10.54m it generates to help free-up resources across the GLA Group. These resources would enable us to provide London with over 1000 much-needed additional police officers. An average over 30 new police officers per borough.
- **Housing** – Labour Members would tackle London's chronic housing shortage by establishing a GLA-backed Housing Investment Company to directly commission the construction of new homes in addition to those currently built by Housing Associations using GLA affordable housing grants. We would also drive up standards for private tenants by investing in new programmes to tackle sub-standard properties. Furthermore, because no tenant should fear the consequences of a rogue landlord, we would empower tenants – the consumer – by giving them more information on rogue landlords, better access to legal representation, and by driving London's worst landlords out of the market.
- **Economy** – Labour Members would take genuine action to increase job opportunities in London through introducing a young person's jobs guarantee, providing help for older Londoners to retrain and by reducing the excessive cost of childcare, which prevents many parents from re-entering the labour market. Labour Members would also introduce universal free school meals for all primary school age pupils in London, which would increase educational attainment, address food poverty, and help parents who are struggling with the cost of living.
- **Environment** – Recognising the imminent threat of climate change, London's air quality crisis, and the increasing difficulty that many Londoners face heating their homes – particularly those on fixed incomes, such as pensioners, Labour Members propose a research project in to the development of community energy cooperatives in London; a London air quality study aimed at creating a bigger, stronger, ULEZ; the Clean Air Routes to School programme, which recognises and seeks to mitigate the effects of poor air quality on school children; the establishment of a GLA London 'noise

¹¹ Figures supplied by [Transport for London](#), retrieved 23.01.2015

¹² V. Shawcross (2014), '[The Case for a Fare Freeze](#)', p.6 retrieved 23.01.2015

¹³ Transport for London '[Briefing Note for Mayor; Proposals for January 2015 Fares](#)', p.9, 29th October 2014. Retrieved 23.01.2015

team' to focus on the aviation noise that blights the lives of many in the capital; and funding the H.E.A.T (Home Energy Advice Team) to help those in fuel poverty improve insulation in their homes and obtain the best energy tariffs.

- **Education** – We would provide grants to schools whose students face socio-economic barriers to academic attainment through the Supplementary Programmes for Schools (Leadership clubs) and out of hours tuition fund; replace the Mayor's elitist 'Gold Club of Schools' programme with the GLA Education Kitemark scheme for schools that require and demonstrate improvement in a short space of time as part of the family of local authority schools; and introduce a schools matching unit to assist in matching new schools with the closest existing outstanding academy, rather than allow private companies to take over new schools in Mayoral approved developments.
- **Health** – Labour Members would invest further in reducing health inequalities and bridging the divide between physical and mental health services. We would form a London Health Inequalities Unit to monitor and address health inequalities across London. We would commission a Mental Health Strategy for London to determine what is and what is not working for Londoners. The results of which would be used to establish a pan-London approach to mental health issues and connect the currently fragmented and dysfunctional system.

1.1 London's Transport

Public transport costs in London have risen at double the rate of inflation since Boris Johnson was first elected in 2008¹⁴. Labour Members would not implement the 2.5% increase in the fares that the Mayor has already announced for 2015-16. Instead, we would freeze fares at their current level, putting £98m back in to pockets of hard-pressed Londoners and the tills of the capital's businesses.

London needs a strong advocate for its transport network, but the Mayor has failed to secure a fair deal for London's commuters. **During Boris Johnson's tenure, the Government's transport grant (including Crossrail) has seen a real-terms reduction in funding of 22.7 per cent¹⁵.**

Not only has the Mayor presided over a shortfall in funding of more than a fifth, **Boris Johnson has squandered hundreds of millions of pounds in taxpayer/fare-payer money on headline-grabbing, ill-thought through vanity projects, including:**

- **The Cable Car** that Boris claimed 'wouldn't cost taxpayers a penny'¹⁶, which subsequently cost taxpayers £61m¹⁷ to build and was later found to have just four regular users¹⁸;

¹⁴ RPI inflation since 2008 has been 21.05%, against an average TfL fare increase of 42% - Historic inflation calculator: how the value of money has changed since 1900, *Daily Mail* (online), retrieved 08.01.15.

¹⁵ Had TfL's grant had kept pace with inflation since 2008, it would now be £3.77Bn - Historic inflation calculator: how the value of money has changed since 1900, *Daily Mail* (online), retrieved 08.01.15

¹⁶ Rob Williams, Boris under fire after it is revealed that Thames cable car will cost £6m to run in first year, *The Independent*, 10.01.13

¹⁷ London Assembly Budget and Performance Committee, Jon Fox (Director, London Rail, TfL) in response to questioning by Stephen Knight AM, 25.06.14

Transcript of Item 10: Viability of London's Sponsored Transport Schemes

¹⁸ Matthew Beard, Boris Johnson's 'pitiful' £60m cable car used by just four regular commuters, *Evening Standard*, 21.11.13

- **The Cycle Hire scheme** that Boris pledged to introduce in at 'no cost to the taxpayer'¹⁹, which will have cost taxpayers £225m by 2016²⁰, making it the most costly to the taxpayer in the world²¹.
- **The 'new Routemaster Bus'** is around £50,000 more expensive than a comparable double decker²². The Mayor plans to purchase 800²³ new Routemaster buses, a 200 bus increase on last year²⁴. This represents an extra £40m in capital costs than if he were to have chosen the hybrid double decker. There is also a further annual cost of £37.2million for 600 of these buses to run with a second crew member²⁵.

The extra 200 buses announced this year are to be operated by one member of staff, begging the question – what benefit do we really get from the Routemaster bus? The 'London life span' of a Routemaster is 14 years²⁶. With a yearly cost of £37.2 million to keep these buses running, they will cost **£520 million** during their time on the road. While we welcome an increase in the size of the bus fleet, the current Routemasters travelling through London do not meet the ULEZ standards and will have a damaging effect on London's air quality²⁷. The Routemaster is another unnecessarily expensive 'legacy' project headed up by the Mayor, with little regard for the real issues faced by Londoners.

- **The 'Garden Bridge'**, which the Mayor has already committed £30m²⁸ of taxpayers' money towards, and which Boris Johnson himself admitted he 'doesn't quite know the point of'²⁹, requires a further £65m. Given the Mayor's record, Labour Members are concerned that taxpayers will end up contributing almost £100m to what has been described by the Mayor's other employer – *The Daily Telegraph* – as "a costly nightmare, a gargantuan vanity project and a marketing tool"³⁰.
- **The 'fantasy island airport' feasibility study**, which the Mayor spent £5.2m³¹ of taxpayers' money on, despite Conservative-run Medway Council (on whose land the Mayor proposed to locate the Estuary Airport) stating that it was a proposal "without any known financial backing, poor connectivity, a disastrous environmental impact, and...little support from airlines."³²

¹⁹ Keith Gladdis, London's 4,000 Boris bikes cost taxpayers £1,400 for each bicycle every year despite sponsorship from Barclays, *Daily Mail*, 11.07.14

²⁰ Andrew Neather, Have the wheels begun to come off the Boris bikes?, *Evening Standard*, 06.08.13

²¹ Op.cit, London's 4,000 Boris bikes cost taxpayers £1,400 for each bicycle...

²² Taxi Leaks (3 May 2013), [TfL reveals cost of New Bus for London fleet](#), Date retrieved: 09.09.2014

²³ Greater London Authority, '[Group Budget Proposals and Precepts 2015-16](#)', p.34, retrieved 23.01.2015

²⁴ Transport for London, [Finance and Policy Committee Papers, 14th October 2014](#), p. 5 retrieved 26.01.2015

²⁵ Transport for London '[New Routemasters](#)', retrieved 26.01.2015

²⁶ The Guardian (29th June 2013), G. Topham '[All Aboard the New Bus for London](#)', retrieved: 23.02.2015

²⁷ Air Quality New (December 3rd 2014), '[New Routemasters will be 'most polluting' buses by 2020](#)', retrieved 26.01.2015

²⁸ TfL Finance and Policy Committee (18.07.13), [Garden Bridge](#), Date retrieved: 13.01.14 & <https://twitter.com/BBCTomEdwards> (22.01.14) "It's been confirmed the Mayor through TfL will match fund Treasury's £30m contribution to the Garden Bridge subject to final business case." Date retrieved: 22.01.14

²⁹ Asa Bennett, Boris Johnson Doesn't Know 'The Point' Of The Garden Bridge (That He's Paying £30m For), *Huffington Post*, 12.03.14

³⁰ Tim Richardson, Garden Bridge: a blot on the landscape? *Daily Telegraph*, 20.12.14

³¹ [MD1334](#) on 9 April 2014 provided an extra £2m. [MD1080](#) provided an extra £3m. [MD1037](#) extended [MD806](#) which provided £200,000

³² House of Commons (2014), Written evidence from Medway Council (AS 60), Transport Select Committee: Aviation Strategy (HC 78)

Despite his desire to become Secretary of State for Infrastructure (a post that doesn't yet exist) if elected to Parliament in May 2015³³, the Mayor has undeniably failed to deliver – and, indeed, has cancelled – many of the capital's most desperately-needed transport projects:

- **The Mayor has failed to increase transport accessibility for those who need it most** – in March 2006, TfL committed to ensuring one third of all tube stations would be step-free by 2013³⁴. By August 2014, under a quarter of stations are accessible³⁵.
- **The Mayor has delayed making a truly effective action on the Ultra Low Emission Zone and left it to his successor to establish the ULEZ by 2020** – despite the fact that air pollution remains a major public health problem facing London causing over 7,500 premature deaths every year³⁶.
- **Important transport projects have been delayed due to the Mayor cancelling them in 2008 only to later call for their reinstatement:**
 - The £500m Thames Gateway Bridge was cancelled in 2008³⁷, losing £200m in PFI Credits³⁸. It was due to open in 2013. That year he started talking again about the need for crossings. The earliest would now open in 2021. An 8 year delay.
 - The Tramlink Extension to Crystal Palace³⁹ was cancelled in 2008. It was included in his 2012 manifesto, but not TfL's 10 year business plan published in December 2012⁴⁰. An 8 year delay and counting.
 - The DLR extension to Dagenham Dock⁴¹ was cancelled in 2008. An Overground extension was announced in March 2014⁴². An indefinite delay.

1.2 London's Emergency Services

As one of Boris Johnson's senior advisors previously noted, the Mayor's 7.7 pence⁴³ per week council tax cut will be "almost too small for people to notice"⁴⁴. However, the £10.54m it translates to across the London tax-base could make a big difference to the lives of people in the capital. Labour Members believe that Londoners prioritise front line services above an ideological tax cut that gives entire households just a penny day. Instead, Labour Members would freeze the GLA's share of the council tax at the 2014/15 level and use the £10.54m it raises to help free-up resources across the GLA family. These resources would enable us to provide London with over 1000 much-needed additional police officers. An average over 30 new police officers per borough.

³³ Pippa Crerar, Exclusive: Boris Johnson wants transport, business and housing 'superpost' in Cabinet, *Evening Standard*, 10.04.14

³⁴ Channel 4 (29 March 2012), [Fact Check: TfL's abandoned pledge on Tube access for the disabled](#), Date retrieved: 09.09.2014

³⁵ Transport for London, [Step-free access](#), Date retrieved: 09.09.2014

³⁶ [Clean Air in London](#). (Accessed 4.12.14)

³⁷ Wikipedia, [Thames Gateway Bridge](#), Date retrieved: 09.09.2014

³⁸ New Civil Engineer (12 October 2009), [Boris U-turn revives Thames Gateway Bridge](#), Date retrieved: 09.09.2014

³⁹ Wikipedia, [Tramlink Extension D / Route 5](#), Date retrieved: 09.09.2014

⁴⁰ Croydon Advertiser (13 March 2014), [Crystal Palace trams? Haven't we heard that somewhere before Boris?](#), Date retrieved: 09.09.2014

⁴¹ Transport for London, [Docklands Light Railway - Dagenham Dock](#), Date retrieved: 09.09.2014

⁴² The Wharf (19 March 2014), [DLR Dagenham extension will not be looked at as part of Barking Riverside regeneration](#), Date retrieved: 09.09.2014

⁴³ Op. cit. Draft Consolidated Budget for 2015-16, p.1 – The Mayor's £4 cut in the GLA precept per Band D household translates in 7.7 pence per week, per household in 2015-16.

⁴⁴ Andrew Gilligan, The vanity projects that the Mayor must kill off, *Evening Standard*, 09.06.08

Policing

Long after he departs City Hall, the Mayor will maintain – as he does in his 2015-16 Budget – that he protected the Metropolitan Police Service’s operational capability during his Mayoralty⁴⁵. However, once again, the Mayor’s rhetoric is contradicted by the facts:

- Police numbers have not actually been at 32,000 at any point during this Mayoralty and were, in fact, at 30,036 in January 2014⁴⁶;
- The Mayor also neglects to mention that, since May 2010, 2,550 PCSOs have been lost across London⁴⁷ – a 60% cut. This has led directly to an overstretched police force with low morale⁴⁸.
- Despite emphasising the importance of retaining police officer numbers at or around 32,000, the Mayor’s ideological commitment to cutting the GLA precept by 10% over this term has contributed to a situation in which Her Majesty’s Inspectorate of Constabulary⁴⁹ (HMIC) and the Deputy Mayor for Policing and Crime⁵⁰ have been forced to conclude that there will be further ‘drastic’ cuts to police numbers after 2016 if further funding is not found.

The Mayor has repeatedly pledged his support for police officer numbers of around 32,000. He has however consistently missed this target and has made deep cuts elsewhere in the police service. As a consequence, it will be impossible for his successor to maintain this number of officers without additional funding. The Mayor’s pledge to raise public confidence in the police by 20% by the end of his Mayoralty looks like it will not be met⁵¹, measures of visibility in policing have fallen across London⁵², and there has been a significant rise in recorded violent crime⁵³.

Record police numbers at the beginning of Boris Johnson’s first term were facilitated by year-on-year increases in the Council Tax under the previous Mayor of London. This policy was understood by Londoners and provided much needed investment which this Mayor has benefited from. Any future Mayor will have to confront the consequences of Boris Johnson’s decision to cut the precept by 10% over the 2012/16 term. (The proposed £4 cut in Band ‘D’ Council tax would pay for an extra 250 police officers alone).⁵⁴ That decision was made in the knowledge that, due to changes implemented by the Coalition Government limiting council tax increases to 2% without a referendum, his successor would be limited the likely scenario of year-on-year, real-terms decreases in the GLA precept.

As a consequence of Boris Johnson’s short-sightedness, the next Mayor of London will need to define a new direction and model for London’s police, including how it is funded. In the interim, London Assembly Labour’s amendment makes a number of smaller changes that can be achieved within existing budgets, and gives greater policing support to the capital.

⁴⁵ Op. cit. Draft Consolidated Budget for 2015-16, p.1

⁴⁶ London Datastore, May 2010 compared to July 2014 figs – latest available retrieved Sept 2014

⁴⁷ London Datastore, May 2010 compared to July 2014 figs – latest available retrieved Sept 2014

⁴⁸ Met police taking time off work with stress-related illnesses, The Guardian, 28th Dec 2014

⁴⁹ HMIC Report “Responding to Austerity: MPS” July 2014

⁵⁰ The Times reported, Monday 17th November 2014

⁵¹ MOPAC strategic risks, MOPAC/MPS Audit Panel, 29 September 2014, Item 10a Appendix 1.

⁵² Confidence Comparator Data Retrieved 8th Jan

⁵³ MPS Crime Performance Data, 2013 compared to 2014 [retrieved 22nd January 2015]

⁵⁴ Based on a £40,000 per annum cost for a new police constable.

London Fire and Emergency Planning

With the Mayor also stating “this Budget also ensures that there is no need whatsoever for any increase in the London Fire Brigade’s targets for response times”⁵⁵, Londoners will no doubt be surprised – and worried – at the gulf between the Mayor’s claims and reality:

- The London Fire Brigade has faced cuts of £10.5.8m⁵⁶ needing to be found since 2009/10; with the Mayor planning a further cut of £7.4m in his 2015/16 budget⁵⁷
- These cuts have led to the closure of 10 fire stations, the removal of 14 fire appliances and the loss of nearly 552 operational firefighter posts⁵⁸.
- Over half the wards in London have already seen an increase in attendance times as a result of these cuts⁵⁹.

Despite these cuts, the Mayor is asking the Fire Brigade to make £18.6 million⁶⁰ worth of further cuts in the next two years. This means that more cuts to frontline service are unavoidable and the Mayor’s promise to protect the frontline is worthless. Data published by the Brigade shows that the Mayor’s cuts are having an impact on attendance times. This will pose an exceptional challenge for the next incoming Mayor, to balance the budget while protecting the frontline.

1.3 Housing Londoners

While the Mayor has described London’s high housing costs as “the right problem to have”,⁶¹ Labour Members understand that this crisis – caused fundamentally by a shortage of new homes – is now the biggest threat to London’s long-term economic competitiveness and is causing great hardship for many low and middle income Londoners.

With 379,990 London households living in overcrowded houses,⁶² average house prices now topping £500,000 for the first time⁶³ and with average private rents due to reach £1,600 a month by the end of Boris Johnson’s term in 2016⁶⁴, there can be no doubt that one of Boris Johnson’s main legacies as Mayor will be London’s severe housing shortage.

See overleaf...

⁵⁵ Op.cit, Draft Consolidated Budget for 2015-16, p.1

⁵⁶ FEP 2386

⁵⁷ FEP 2377

⁵⁸ London Fire Brigade News [Article](#) 7 January 2014.

⁵⁹ 371 wards have seen an increase in response times in London, Overall, 214 wards are not meeting the 6 minute target for the first appliance, while 141 wards also miss the 2nd appliance target of 8 minutes. Since January 2014, Londoners in 37 wards have seen increases of over a minute. There have also been increases in London-wide attendance times for both first and second appliance. First appliance was 5.18min in 2012/13 and has gone up to 5.30min in the 8 months since LSP5. Second appliance was 06.28mins in 2012/13 and has gone up to 06.51mins in the 8 months since LSP5.

⁶⁰ LEPA, Budget Update, Resources Committee Authority, Doc No. FEP 2337

⁶¹ ‘Johnson Says London Property Prices Are Desirable Problem’, Bloomberg, 16 June 2014

⁶² Office for National Statistics

⁶³ London Assembly Housing and Planning Committee (2011), *Crowded houses: Overcrowding in London's social rented housing*, p.8

⁶⁴ Copley, T., [Average London rents to top £1,600 by end of Mayor's term](#), 07.03.14

On every level – supply, affordable housing, and property standards – the picture with housing has dramatically deteriorated since Boris Johnson’s election in 2008:

- **In the six years since he was first elected, the Mayor has not once come close to achieving his London Plan housing targets**, with only 17,720 completions in 2013-14 against his own target of 32,210 – just over half the figure needed in that year.
- **The Mayor will leave office having failed to deliver both of his affordable housing programmes to deadline.** He delayed by a year his target date for 50,000 affordable homes under the 2008/11 National Affordable Homes Programme.⁶⁵ He will now also miss the deadline for 55,000 affordable homes promised as part of the 2011/15 funding round.⁶⁶
- **The Mayor’s reforms to affordable housing have meant that in some parts of inner-London, households could now require an income above £100,000 per year to afford the rent on a family-sized ‘affordable’ home.**⁶⁷ The Mayor has introduced reforms that will make it unaffordable to low income Londoners – so-called ‘affordable’ housing charged at up to 80% of market rent.
- **On property standards, one-third of London’s privately rented homes – more than 250,000 – still fall below the Decent Homes standard used in the social rented sector, the largest proportion of any tenure in London.**⁶⁸ Despite this, the Mayor has continued to pursue “voluntary self-regulation”⁶⁹ via his new London Rental Standard. Yet even on the Mayor’s own terms he is failing. In 2012 his manifesto pledged that 100,000 of London’s estimated 300,000 private landlords would be signed up to this voluntary regulation by May 2016, but the number has reached just 13,499 on the most recent figures.⁷⁰

We point in our amendment to a number of ways in which London’s housing market can work better, with proposals aimed at increasing the supply of housing, improving property standards in the private rented sector, and empowering private renters. However, until we have a Mayor who is tough and interested enough to stand up for Londoners who are being squeezed out of our city by a crisis of affordability and vindictive ‘welfare reform’ policies, the fundamental problems of the way in which the market allocates housing in the capital will not be resolved.

1.4 Keeping Londoners working

Investment doesn’t just mean transport. The capital needs investment in its economy, in areas where the market has manifestly failed, or needs assistance. This includes investment in physical regeneration and in the capacity of Londoners to develop new skills, earn a decent wage and contribute to London’s economy.

⁶⁵ ‘Mayor admits homes goal will be missed’, Inside Housing, 2 December 2009

⁶⁶ ‘Boris Johnson forced to admit affordable housing target faces delay’, Evening Standard, 23 October 2014

⁶⁷ ‘Joint Response to the London Plan Revised Early Minor Alterations’, London Borough of Brent, London Borough of Camden, London Borough of Enfield, London Borough of Hackney, London Borough of Islington, London Borough of Southwark, London Borough of Tower Hamlets, Royal Borough of Kensington & Chelsea and Westminster City Council, 31 July 2012, p.10

⁶⁸ ‘Stressed: A review of London’s private rented sector’, Centre for London, August 2013, p.50

⁶⁹ ‘The Mayor’s Housing Covenant: Making the private rented sector work for Londoners’, Greater London Authority, December 2012, p.24

⁷⁰ ‘The London Rental Standard: How Is It Helping Tenants?’, Londonist, 30 November 2014

Despite claiming that his “Budget is central to the promotion of jobs”⁷¹, Boris Johnson’s record is abysmal. Of the 200,000 jobs the Mayor has pledged to create, at least 131,000 are in the construction industry⁷². However, forecasts by GLA Economics show that just 1,000 extra jobs are expected to have been created in this sector by 2016, highlighting the degree to which the Mayor’s jobs pledge has entirely misled Londoners.⁷³ In fact, jobs growth in this sector is expected to decline in each year from 2014 up until 2016.⁷⁴ Furthermore, the Mayor has abandoned his manifesto commitment to specifically “lead a campaign for 20,000 part-time jobs to help parents return to work”⁷⁵.

The Mayor also claims to be “helping young Londoners, in particular through creating 250,000 apprenticeships”⁷⁶. However, the Mayor’s efforts have also failed to ensure that London keeps pace with the rest of the UK⁷⁷. Whilst the capital contains 14 per cent of the country’s population, it has just 7.5 per cent of the UK’s total apprenticeships.

To address the deficiencies of a city economy that is by many narrow measures successful, but one that excludes large numbers of the capital’s population, London Assembly Labour has proposed budget amendments covering with three main themes – jobs and growth, addressing economic inequalities, and supporting young people.

1.5 Health, Environment, Education

As London faces ever growing challenges to its Health Services, a strong voice is needed in their support; and the Mayor has public health duties which he has barely exercised. On the Environment, we have seen this year a further cut in his limited environmental programmes. With the continuing crisis of air quality it should be self-evident that a stronger role, not a weaker one, is needed. The Mayor has asserted a new education role, which is primarily about his promotion of academies and free schools. We want instead to see the Mayor asserting a partnership role, in promoting excellence across London’s schools.

1.6 Taxes and investing in the future

We note that the Mayor will only achieve his promised 10% cut in the GLA element of the Council Tax by counting the windfall that was due to come from the end of the Olympics Precept, with a £12 reduction in 2016/17 and further £8 reduction in 2017/18⁷⁸. However, a range of cross-party and non-party voices have suggested that keeping the precept may be one route to funding the additional infrastructure investment that London urgently requires⁷⁹. The next Mayor should decide this with Londoners, and this matter properly belongs in the debates in the run-up to the 2016 Mayoral Election, and not be part of a responsibility-free giveaway from a ‘Lame Duck’ Mayor.

⁷¹ Op.cit, Draft Consolidated Budget for 2015-16, p.1

⁷² ‘Measuring Jobs – Progress Report’, Greater London Authority Investment & Performance Board, 6 August 2013, p.2

⁷³ GLA Employment Projections, 2013 Projections Data. Found here: <http://data.london.gov.uk/dataset/gla-employment-projections>

⁷⁴ ‘London’s Economic Outlook: Autumn 2014, The GLA’s medium-term planning projections’, Greater London Authority, November 2014, p.34

⁷⁵ ‘Taking Greater London Forward’, Boris Johnson, 2012, p.17

⁷⁶ Op.cit, Draft Consolidated Budget for 2015-16, p.1

⁷⁷ Skills Funding Agency and Department for Business and Innovation, Further Education Data Library, [Breakdown by geography, equality & diversity and sector subject area: starts 2013/14](#), date accessed 01.12.2014

⁷⁸ Greater London Authority (2014), Mayor’s Budget Guidance 2015/16, p.2

⁷⁹ As suggested, for example, by London First in its publication Funding Crossrail 2 (2014)

The Mayor will also achieve his manifesto commitment by implementing the biggest cut in the GLA Precept – £7 per Band D household – of his Mayoralty in the 2016/17 budget⁸⁰.

Due to changes implemented by the Coalition Government limiting council tax increases to 2% without a referendum, it will be extremely difficult – if not impossible – for any future Mayor to reverse the Boris Johnson’s precept cut. As a result, year-on-year, real-terms decreases in the GLA precept, with consequences for the provision of public services appear inevitable. Londoners will have to live with prospect of decreasing budgets and their consequential impact on public services for many years to come – another unpleasant legacy of this Mayoralty.

Notwithstanding the challenges ahead, Labour Assembly Members’ Budget amendment represents a serious attempt to address the deficiencies of the Mayor’s 2015/16 Budget; forming a building block towards the election of a Labour Mayor in 2016. We believe Londoners are waiting for a leadership that is both positive about the capital’s prospects but, equally, does not run from realities.

1.7 Making the GLA’s Budget work harder for Londoners

The Labour amendment is summarised above and detailed below. This section explains how it is funded. The amendment has been reviewed by GLA finance officers and it is fundable and capable of being implemented in 2015-16:

- i. A freeze in precept, rather than the Mayor’s reduction, which will provide £10.54m of additional resources.
- ii. We see this as enabling additional MOPAC funding but, for technical reasons it needs instead to be allocated to the Core GLA, from whom notionally £10.54m of Retained Business Rates (NDR) income allocated to the Core GLA is reallocated to the MOPAC budget. The net effect is to part-fund our proposed amendment to the MOPAC budget funding this year, and safeguarding in future years (against anticipated grant cuts), police officer posts, using the additional Council Tax precept income.
- iii. The spending proposals for the Core GLA, for economy, environment, health, education and housing, totalling a net £87.453m, which take its budget above the level in the Mayor’s proposal, are funded by reallocating £76.909m NDR grant from TfL to the Core GLA, together with £10.54m from the precept.
- iv. While notionally the £10.54m of precept income funds additional police costs, formally the cost of our proposals for MOPAC (£55.01m) are funded by savings of £3.797m and reallocating NDR income from TfL to MOPAC (£51.213m).
- v. The TfL budget is amended in two ways. First, by reallocating NDR to the Core GLA and MOPAC, of £126.122 (£76.909m + £51.213m) outlined in iii and iv above. Second, with additional spending proposals totalling £192.87m. This is funded by TfL’s underspend in 2014-15 of £116m, additional savings, to the target set in the Mayor’s budget, of £58m and a use of £146.992m of reserves.
- vi. A Fares freeze is, in particular, a recurrent cost to which the debate often turns, with questions as to its sustainability. The cost of our fares proposals is easily fundable through a combination of the additional £58m, and a cautious estimate of the proportion of the £116m underspend which is recurrent, based on past budgets and the analysis in the second quarter TfL budget report of the reasons for its underspends. In addition, £54m of the proposed TfL additional expenditure items are capital projects that would require one-off funding only, rather than annual

⁸⁰ Op.cit Mayor’s Budget Guidance 2015/16, p.2

ongoing funding although it should be noted that these projects might have revenue expenditure implications that would need to be costed.

1.8 Consolidated Budget Labour Group Budget Tables

The following budget tables provide a snapshot of Labour Members' proposed amendments to the Mayor's 2015-16 Budget. Detailed proposals are located under individual budget headings.

(i) Economy – For detailed proposals, see pages 17-37

Proposal	Cost (£m)
Jobs and growth	
Targeted employment support	1.00
Over 50s Training and Job Guarantee	0.60
Securing a future for the high street	
- Empty shops and offices register	0.087
- London Business Academy	0.50
London's Street Markets	0.50
London Small Business Agency	0.50
Combating the connectivity curse	
- Mapping connectivity black-spots	0.30
- Connectivity inquiry	0.30
Selling London's business to the World	0.75
Supporting parents into work	
- Childcare investigation	0.01
Addressing economic inequalities	
Pay	
- London Living Wage	0.50
Social security	
- Monitoring welfare changes	0.15
- A pan-London Social Fund	1.13
- Supporting free legal advice	4.00
A Zero-Hunger City	
- Universal free school meals for primary school age pupils	29.7
- Universal free school meals pilots for secondary school pupils	2.87
Tackling problem debt	
- Reconvening the London Debt Strategy Group	0.05
Support for young people	
Young person's jobs guarantee	14.02
Pan-London careers guidance pilot	0.94
Paying GLA trainees the London Living Wage	0.31
Total	58.217

The Economy Chapter also contains zero cost proposals on advice and mediation support, promoting investment in digital infrastructure, Section 106 agreements on large schemes, London Poverty Reduction Strategy, the GLA Food Programme, and Promoting credit unions.

(ii) Education - For detailed proposals, see pages 38-41

Proposal	Cost or Saving (£m)
Abolish 'New Schools for London' unit	Saving of 0.085
Abolish 'Gold Club of schools' project	Saving of 0.105
London Schools Excellence Fund	12.75
Supplementary Programmes for Schools (Leadership clubs) and out of hours tuition	0.518
GLA Education Kitemark	0.105
Youth ESF Projects	1.498
New Schools School matching unit	0.085
Total	14.766

(iii) Environment – For detailed proposals, see pages 42-50

Proposal	Cost (£m)
Research project in to the creation of community energy cooperatives in London	0.5
London air quality study – Creating a bigger, stronger, ULEZ	0.5
Establishment of a GLA London 'noise team'	0.25
H.E.A.T (Home Energy Advice Team)	1.0
Clean Air Routes to School	0.45
Total	2.7

(iv) Health – For detailed proposals, see pages 51-56

Proposal	Cost (£m)
London Health Board Contribution	0.05
State of London Public Health Report	0.20
Obesity and Diabetes	0.30
Mental Health Strategy for London	0.20
Alcohol Abuse	0.30
London Health Inequalities Unit (LHIU)	0.45
Total	1.50

(v) Housing – For detailed proposals, see pages 57-69

Proposal	Cost (£m)
Increasing supply	
Housing Investment Company	1.00
Housing Revenue Account trading scheme	0.50
Key worker housing	0.00
Framework for overseas investment	0.20
Re-introducing social rent	0.00
Improving property standards in the private rented sector	
PRS Decent Homes Fund	0.15
Environmental health officers	0.80
100 Bad Landlords programme	0.10
Empowering private renters	

New Framework for Renters	0.00
Establishing private tenants groups in each borough	3.20
Rogue landlords register	0.15
Commission on Private Renting	0.10
Tackling housing poverty	
Reducing overcrowding	0.05
Housing Access Scheme	0.52
Total	6.77

The Housing chapter are also zero-cost proposals on key worker housing, re-introducing social rent, and establishing the New Framework for Renters.

(vi) Planning – For detailed proposals, see pages 70-74

Proposal	Cost (£m)
Viability Assessment training	0.05
Skyline Panel	0.05
Localism Network	0.1
Clean Air Routes to School	0.45
Off-site Construction	
Factory with apprenticeship programme	0.05
Off-site construction pilot project	2.8
Total	3.5

(vii) MOPAC – For detailed proposals, see pages 78-84

MOPAC Council tax requirement	Cost £millions
Initiatives for Londoners	
Increase number of Police Constables by 1025 (an average of 33 extra per Borough)	41
Anti-Sexual Harassment Campaign	2
Preventing Violence Work	8
Targeted funding for youth engagement and preventing youth offending	3
Youth Engagement officer per borough	Cost neutral
Lead Disability Support Officer for every borough	Cost neutral
Victim's Champion	0.01
Develop Pilot advocacy support for victims with learning disabilities and mental health issues	1
Total	55.01
Funded by:	
Reduce First Class Flights and Hotel costs by 20% ⁸¹	0.22
Public Affairs Budget Reduced by 20% ⁸²	1.02
Reduction in budget of cars available to ACPO officers for anything other than security purposes ⁸³	0.437

⁸¹ Mayor's Question, 2013/3452

⁸² Mayor's Question, 2014/4169

⁸³ Mayor's Question, 2014/3887

Deletion of MOPAC's 4 non-executive advisors posts	0.09
Reduction of Overtime Budget by 2% ⁸⁴	2.03
Reallocation of Retained Business Rates from Transport for London	47.113
Sale of 8 properties available to ACPO officers* ⁸⁵	2.8
Sale of Water Cannon*	1.3
Total	55.01

*These savings generate capital receipts of £4.1m which are proposed to be passed to TfL. Accordingly, TfL's share of retained business rates is reduced by £4.1m and MOPAC is to receive £4.1m of retained business rates.

(viii) Transport – For detailed proposals, see pages 86-100

Transport for London Mayor's call upon the precept	£ (millions)
No change (but see below)	
Support for Londoners	Revenue Spending
Modernising our neglected Bus Service: Fund 30 additional hybrid buses (£300,000 per bus) are use them to provide better access to our health facilities	9
Investigating Cleaning up the Bus Fleet	0.1
Freeze Fares at 2013/14 rates for 2015/16	98
Fund for Restoration of Off-Peak Discount	20
More Step Free Stations	25
Re-prioritising cycling	20
Zero Tolerance of Road Deaths	10
Sustainable Aviation Fund	10
Supporting The Taxi Trade	0.77
Total:	192.87
Funded by:	
(Revenue) Use of Transport for London (TfL) budget underspends of £81m	192.87
Raising the target for savings by £58m	
(Capital) Underspends of £35m, and £19m in Reserves (for use on Capital projects)	

⁸⁴ DMPCD, 176, Appendix, November 2013

⁸⁵ Mayor's Question, 2014/3886 & 2014/4172

2.0 Economy

Proposal	Cost (£m)
Jobs and growth	
Targeted employment support	1.00
Over 50s Training and Job Guarantee	0.60
Securing a future for the high street	
- Advice and mediation support	0.00
- Empty shops and offices register	0.087
- London Business Academy	0.50
London's Street Markets	0.50
London Small Business Agency	0.50
Combating the connectivity curse	
- Mapping connectivity black-spots	0.30
- Promoting investment in digital infrastructure	0.00
- Connectivity inquiry	0.30
Selling London's business to the World	0.75
Supporting parents into work	
- Childcare investigation	0.01
- Section 106 agreements on large schemes	0.00
Addressing economic inequalities	
Pay	
- London Poverty Reduction Strategy	0.00
- London Living Wage	0.50
Social security	
- Monitoring welfare changes	0.15
- A pan-London Social Fund	1.13
- Supporting free legal advice	4.00
A Zero-Hunger City	
- Food Programme	0.00
- Universal free school meals for primary school age pupils	29.7
- Universal free school meals pilots for secondary school pupils	2.87
Tackling problem debt	
- Reconvening the London Debt Strategy Group	0.05
- Promoting credit unions	0.00
Support for young people	
Young person's jobs guarantee	14.02
Pan-London careers guidance pilot	0.94
Paying GLA trainees the London Living Wage	0.31
Total	58.217

2.1 Draft Consultation Position and Critique

After six years in office, Boris Johnson will be leaving a more polarised city, where average pay is declining, poverty is becoming more entrenched and where social security reform has caused severe hardship for many Londoners. For young people, London is still a difficult place to get into the labour market, while labour market inequality has become starker.

Against this background, mayoral targets on job growth have either been dropped (part-time working) or are misleading (200,000 jobs pledge). During the last year the Mayor has also failed to deliver on his promise to ensure greater accountability across the GLA Group. The most noticeable examples of this are at London and Partners. This has seriously hindered the Assembly's scrutiny and is not in the public interest.⁸⁶

The Mayor's record

Employment

The Mayor made jobs and growth his 'top priority' for his second term⁸⁷. However, his pledge to *"create 200,000 jobs directly through City Hall activities"*⁸⁸ by 2016 is incredibly misleading due to the use of "gross jobs"⁸⁹ as the measure for achieving this target. For instance, the Mayor argues that through the Affordable Housing Programme, two 'gross jobs' are created per home built. As a consequence, a builder could work on a different home every six months consecutively for the duration of the four-year term and this would count as eight jobs towards the Mayor's target. This distorts the figures. Of the 200,000 jobs the Mayor has pledged to create, at least 131,000 are in the construction industry⁹⁰. Yet, GLA Economics estimates there will only be an additional 5,000 jobs in this sector by 2015 compared to 2012.⁹¹

More needs to be done to expand London's jobs market. The most recent London Poverty Profile found that, in 2012, 190,000 people in London worked part-time but wanted a full-time job. This was nearly double the level in 2007.⁹²

The Mayor has also abandoned his manifesto commitment to specifically *"lead a campaign for 20,000 part-time jobs to help parents return to work"*.⁹³ Furthermore, and similarly to the 200,000 jobs pledge, the methodology used for assessing success lacks rigour. Labour Members are clear that part-time work is crucial in making London's economy more flexible to the demands of family life. However, part-time jobs cannot become a second rate alternative to full time work. Part-time work is more likely to be low-paid work, while households that include part-time workers are more likely to live in poverty.

London's labour market has also become more unequal since 2008. Office for National Statistics (ONS) data shows that female unemployment in London was 13,710 (+24%) higher in October 2014 than it was in the month preceding the crash of Lehman Brothers in September 2008.⁹⁴ Conversely, male unemployment has actually decreased by 14,646 (-18%).⁹⁵ This,

⁸⁶ ⁸⁶ [London Assembly Budget and Performance Committee Pre Budget Report](#) (Accessed 17.12.14)

⁸⁷ 'Taking Greater London Forward', Boris Johnson, 2012, p.3

⁸⁸ 'Taking Greater London Forward', Boris Johnson, 2012, p.4

⁸⁹ 'Measuring Jobs – Progress Report', Greater London Authority Investment & Performance Board, 6 August 2013, p.1

⁹⁰ 'Measuring Jobs – Progress Report', Greater London Authority Investment & Performance Board, 6 August 2013, p.2

⁹¹ 'London labour market projections'. GLA Economics, April 2013

⁹² London Poverty Profile 2013, p.11

⁹³ 'Taking Greater London Forward', Boris Johnson, 2012, p.17

⁹⁴ Office for National Statistics

combined with issues surrounding zero-hours contracts and the broader casualization of the workforce, highlights the extent of inequality in London's labour market.

Poverty

London is the region in the UK with the highest levels of inequality.⁹⁶ By 2012 a quarter of Londoners (2.1 million) lived in poverty.⁹⁷ This has been driven by the increase in in-work poverty (57% of adults and children in poverty are now in working families) and increasing poverty among private rented sector tenants.⁹⁸ The recent Child Poverty Map of the UK produced by End Child Poverty, found that, of the twenty local authorities with the highest rates of child poverty, fifteen are in London.⁹⁹

Falling pay, along with increasing living costs has been a significant driver of poverty. The London Poverty Profile commented that *"earnings are not increasing in line with the costs of living in London"*.¹⁰⁰ ONS data shows that average real terms pay in London, adjusted for the Retail Price Index, fell by £87 a week between 2009 and 2013, from £700 to £613.¹⁰¹

On Monday 3 November 2014, the Mayor of London announced that the London Living Wage rate would rise by 35p, from £8.80 to £9.15 an hour. In his '2020 Vision' the Mayor pledged that the London Living Wage the *"norm"* in the capital by the year 2020, but on his watch more jobs now pay less than the London Living Wage. GLA Economics reports that 20.5 per cent of jobs in London pay less than the new LLW rate of £9.15 per hour.¹⁰² This compares unfavourably to the 13 per cent of jobs that paid less than the rate in 2007.¹⁰³

Falling pay has been compounded by the impact of social security cuts, which have disproportionately affected the capital. The Government's impact assessment into the Benefit Cap Regulations found that 49 per cent of all households affected by the total benefit cap are in London.¹⁰⁴ As a consequence, between May 2010 and August 2014 the number of Local Housing Allowance claimants in inner-London has reduced by 3,322, while the number in outer-London has increased by 25,357.¹⁰⁵ The inner-London figure also hides the impact in central London, with the number of households claiming Local Housing Allowance in Camden, City of London, Islington, Kensington and Chelsea and City of Westminster reducing by 5,120, nearly a quarter, since the general election.¹⁰⁶

The most tangible consequence of increasing poverty has been the rise in emergency food aid in London. The number of visits to a Trussell Trust food bank in London has increased from 408 in 2009/10 to 95,639 in 2013/14.

⁹⁵ Office for National Statistics

⁹⁶ 'Poorest Londoners lost quarter of income in the crash', Trust for London, 1 July 2013

⁹⁷ London Poverty Profile

⁹⁸ London Poverty Profile

⁹⁹ 'Child Poverty Map of the UK', End Child Poverty, October 2014, p.2

¹⁰⁰ London Poverty Profile

¹⁰¹ Office for National Statistics

¹⁰² 'A Fairer London: The 2014 Living Wage in London', GLA Economics, November 2014, p.22

¹⁰³ London Poverty Profile, p.11

¹⁰⁴ 'Benefit Cap (Housing Benefit) Regulations 2012: Impact assessment for the benefit cap', Department for Work and Pensions, 16 July 2012, p.8

¹⁰⁵ Stat-xplore

¹⁰⁶ Stat-xplore

	Adults	Children	Total
2009/10	170	238	408
2010/11	3690	2689	6379
2011/12	5889	4792	10681
2012/13	26164	18487	44651
2013/14	58315	37315	95639

Numerous reports have highlighted that this increased demand for emergency food aid is driven by acute pressures, including sudden loss of earnings and benefit delays and sanctions.

The failure to deliver transparency and guarantee value for money at London and Partners

London and Partners performs a crucial function in promoting our capital to students, tourists and investors. In a globalised economy where cities are competing to attract visitors and create jobs there can be no room for complacency, London can and must be at the very top of its game.

However, Labour Members have become deeply concerned about the lack of scrutiny processes that exist for examining the organisation. The recent concerns expressed regarding London and Partners and the redevelopment of the Royal Albert Dock serve to highlight how important it is that the Assembly is given greater opportunities to scrutinise the company's operations.

The Assembly's Budget and Performance Committee has stated that "London and Partners is the clearest example of an unwillingness to open up to scrutiny" and "recently refused to disclose senior employee remuneration details".¹⁰⁷ The Assembly does not receive a business plan from London and Partners either prior, or during the course of its examinations of the Mayor's Budget. This despite the fact that in 2013-14 the GLA grant constituted 69% of L&P's operating budget. Without prior sight of a business plan Labour Members feel the scrutiny process can only ever be limited. It is unacceptable that Londoners must wait until the 2016-17 budget round before organisations in receipt of GLA funding must publish their business plans online.¹⁰⁸

As a private company, London and Partners is also currently exempt from Freedom of Information requests, further hindering scrutiny. Bodies that perform similar functions such as UKTI do not enjoy these protections despite negotiating trade deals on a much bigger scale.

As part of the budget setting process this year Labour Members are calling on the Mayor to make it a condition of offering the GLA grant that the following measures are enacted:

- In the absence of being able to submit FOI requests the organisation should respond positively to any and all requests for disclosures of information by Assembly Members relating to all matters except those deemed the most commercially sensitive.
- A single point of contact should be established similar to the TfL Members Correspondence email system to facilitate the above point.

¹⁰⁷ As stated in the Budget and Performance Committee Pre-Budget Report 2014 – Emerging Conclusions Document.

¹⁰⁸ The fact that they must be published online was referenced in the Budget and Performance Committee Pre Budget Report 2014 – emerging conclusions document.

- A quarterly report to be sent to the Assembly detailing gifts and hospitality received, a declaration of interests and full details of the remuneration of directors along with information on the work streams currently underway.
- Senior officials at L&P should respond positively to any requests to appear before either the full Assembly at a plenary session or before the Economy or Regeneration Committees.

These should be codified in a memorandum of understanding. These proposals are not only beneficial for the purposes of Assembly scrutiny, they will demonstrate to those who work with L&P that the organisation is open and accountable in all its dealings. This will enhance L&P's reputation and place it on a much stronger footing as it seeks to sell London to the world.

Young People

Regardless of the Mayor's focus on young people, youth unemployment remains a significant problem in London and stands 20 per cent higher than the national average.¹⁰⁹ In particular, there is a stark difference in employment rates between young people from ethnic minorities and white British young people.¹¹⁰ In September 2014, 58 per cent of Job Seekers' Allowance Claimants in London aged 18-24 were from BAME Groups (13,800 BAME out of 23,940 total unemployed 18-24 year olds).¹¹¹

Apprenticeships are often hailed as a means to tackle youth unemployment and work is being carried out since the Richards Review to improve the quality of apprenticeships. Despite the Mayor's pledge to create 250,000 apprenticeships in London by 2016, London lags behind the rest of the UK.¹¹² Whilst London contains 14 per cent of the country's population, it has just 7.5 per cent of the UK's total apprenticeships, while the number of starts fell in 2012/13. Furthermore there is high competition for apprenticeship places in London and in 2012/2013 there were 285,000 online applications, an average of 17 applications per vacancy.¹¹³

To reach the Mayor's target, the number of starts needs to increase by 19 per cent year on year – the Mayor is already failing to achieve this.¹¹⁴ Additionally, there are concerns that – at times – 'apprenticeships' can be hijacked to provide cheap labour at the national minimum wage of £2.73 per hour for the first year for those under 19, and do not always lead to full-time employment as the number of jobs has not kept pace with the resident working population.¹¹⁵

Please see overleaf...

¹⁰⁹ ONS, October 2014, Claimant Count by region, age and duration for London, date retrieved 26.11.2014

¹¹⁰ The Work Foundation, (April 2014), [London: A Tale of Two Cities – Addressing the youth unemployment challenge](#)

¹¹¹ ONS, September 2014, Claimant Count by region, age and ethnicity for London, date retrieved 01.12.2014

¹¹² Skills Funding Agency and Department for Business and Innovation, Further Education Data Library, [Breakdown by geography, equality & diversity and sector subject area: starts 2013/14](#), date accessed 01.12.2014

¹¹³ National Apprenticeship Service, (17.02.2014), [Online apprenticeship applications increase by a third](#), date accessed 01.12.2014

¹¹⁴ London Enterprise Panel Skills and Employment Working Group, (09.06.2014), [Apprenticeships Update](#), date accessed 01.12.2014

¹¹⁵ The Work Foundation, (April 2014), [London: A Tale of Two Cities – Addressing the youth unemployment challenge](#)

2.2 Analysis of the Mayor's Budget

The Draft Budget outlines that the budget for the Development, Enterprise and Environment directorate will decline significantly next year, falling by nearly £17 million from £29.8 million in 2014/15 to £12.9 million in 2015/16.

	2014/15	2015/16	2016/17
	£000	£000	£000
Development, Enterprise and Environment	29,837	12,909	10,258

Table 1: Directorate revenue expenditure

Of the revenue budgets related to economic programmes, the single largest is the grant funding to London and Partners (L&P), which the Mayor wishes to allocate £11.4 million to in 2015/16. Labour Members remain concerned regarding the lack of effective accountability procedures open to the Assembly in regards to how this budget is spent by L&P, and in particular L&P's inability to provide the London Assembly with prior sight of its business plan before the Assembly is expected to approve its budget.¹¹⁶ This is clearly unacceptable, and more details on how this could be rectified are provided later on in this amendment.

We are also particularly concerned that the funding for the Food Programme is due to halve following the next financial year. Given the current rise in food poverty and reliance on emergency food aid, this is clearly the wrong time to reducing funding for addressing the problems underlying this crisis.

	2015-16 Expenditure £000	2015-16 Income £000	2015-16 Budget £000	2016-17 Expenditure £000	2016-17 Income £000	2016-17 Budget £000
London and Partners	11,410	0	11,410	10,410	0	10,410
Food Programme	600	0	600	300	0	300
London Hydrogen Partnership	55	0	55	30	0	30
Infrastructure Delivery Board and 2050 Plan	170	0	170	220	0	220
Expo 2025	50	0	50	100	0	100
Outer London Fund	510	0	510	0	0	0
Mayor's Regeneration Fund	778	0	778	0	0	0
London Enterprise Fund	147	0	147	0	0	0
Growing Places Fund	1,116	0	1,116	0	0	0
New Homes Bonus	37,800	-37,800	0	0	0	0

Table 2: Programme Revenue Budgets

On capital expenditure, it is clear from the Mayor's Budget for 2015-16 that economic development in the capital will increasingly rest entirely on investment on TfL led budgets. Labour Members believe that investment in transport infrastructure can be a key tool in promoting economic growth but note with concern the funding uncertainty that continues to surround the London Enterprise Panel. The pre-budget report notes that the LEP will have "very limited resources to make an impact" without further New Homes Bonus funding, which, given the broad role performed by the panel, potentially puts at risk the Mayor's ability to deliver for economic development and regeneration in the capital.¹¹⁷

¹¹⁶ Draft GLA Budget for 2015-16 p.8

¹¹⁷ [London Assembly Budget and Performance Committee Pre Budget Report](#) (Accessed 17.12.14)

	2015-16	2016-17	Total
	£m	£m	£m
Outer London Fund	0.845	0.000	0.845
New Homes Bonus	32.200	0.000	32.200
Mayor's Regeneration Fund	29.202	0.000	29.202
London Enterprise Fund	4.684	1.200	5.884
London Enterprise Panel	47.019	19.048	66.067
Regeneration	25.720	0.920	26.640

Table 3: Capital Spending Plans

As the Budget and Performance Committee's Pre-Budget Report notes, the Outer London Fund will finish in 2014-15, and the Mayor's Regeneration Fund will also come to an end in 2015-16.

The news that London will benefit from 2014-20 EU programmes is welcomed, but recent reports that there have been delays in allocating funding are a cause for concern. It is important that projects do not see a gap in their funding and that any delays are kept to an absolute minimum.

On youth unemployment, the GLA is not on course to meet the Mayor's target to create 250,000 apprenticeship opportunities by 2016 having just 95,000 being created halfway through the term.¹¹⁸ This is one of the two issues that stand out at most risk of failure.¹¹⁹ With persistently high levels of youth unemployment and NEETs, the Mayor needs to take action and detail how he intends to tackle the underperformance in his budget.

2.3 Labour's Economic Alternative

This section of the Budget Amendment is about securing a more equal London, enabling Londoners to obtain well paid and secure work, and about providing future generations with the opportunities to succeed in London.

a) Jobs and Growth

Targeted employment support

Labour Members are concerned by persistently high levels of unemployment among a number of key groups, including:

- Ex-offenders
- Care leavers
- Young black males
- People with disabilities

Working with third sector partners, in the financial year 2015/16 we would set aside **£1 million** to establish a fund for targeted employment support for priority groups. Providers would submit proposals for funding to pilot schemes that draw on best practice and deliver innovative new means of tackling specific problems among priority groups. Such schemes would learn from examples such as the Visionary Placements programme run by the Royal London Society for

¹¹⁸ London Assembly Budget and Performance Committee, (December 2014), [Pre-Budget report 2014](#), p. 18

¹¹⁹ *Ibid.*

Blind People (RLSB), which has helped 50 young blind and visually impaired people into voluntary and paid positions. This scheme required a grant of £75,000.

Over 50s Training and Job Guarantee

Many unemployed people over the age of 50 are struggling to find employment in the fields that they have worked in for the majority of their working life. Many will not have written a CV or been to a job interview for many years and may lack self-confidence when presenting themselves to a new employer. A number of unemployed people over 50 have previously worked in manual based trades such as cleaning, building, engineering and manufacturing but these opportunities are now fewer and further between, meaning that older people increasingly look for opportunities in less familiar industries such as security, health and social care, retail and administration. In an attempt to learn new skills, many older people are finding themselves in apprenticeships which are not designed to provide older people with the skills they require.¹²⁰

To provide older people with the skills needed to find employment, we propose a model that would provide new learning and job experience opportunities targeted at those aged over 50. This would involve:

- Two week employment preparation programme, which includes CV writing, interview techniques, skills matching, confidence building and job preparation with a lead provider.
- The provider will source a six month employment opportunity with employers, with the expectation that the participant will become a member of staff if they successfully complete the experience.
- During the six months employment opportunity, the lead provider will meet with the participants on a weekly to monthly basis (reducing over the length of the programme) to help them settle in with the employer.
- The participant will receive appropriate training for the sector they are working in. For some this may be pre-employment and for others it will be ongoing during the opportunity (e.g. Security is a 4 day training to gain SIA and retail and health and social care level 2 will take 6 months to complete).
- The later part of the training will spent by the lead provider to meet with participants and ensure they stay in employment.

This training and work opportunity would be in the form of a pilot which could start 10 people a month for 5 months and over a 12 month period all participants will have completed their Opportunity. A total of fifty people would therefore be supported by this pilot during the first year. The total cost would be **£0.6 million**, with nearly 70 per cent of costs going on salary for the participant. The costs per person are £12,101.¹²¹ If the pilot is successful, Labour Members would seek to expand this scheme in future years.

¹²⁰ The Independent, (01.01.2015), [Key Government strategy in decline as apprenticeships fall](#), date accessed 08.01.2015

¹²¹ The cost of providing support to each participant would be £1,500; Cost of training £500 per participant; Cost of London Living Wage for 35 hours a week, for 26 weeks at £9.15 per hour is £8,326. NI and TAX (12.5% of salary), £1,040; Contingency costs, £735; Total, £12,101. Taking into consideration the current benefits cap for a single person is £350 per week – over 26 weeks this equals £9,100. If they are employed for a further 6 months following the opportunity there will be a saving of £6,200 per person over 12 months.

Securing a future for the high street

High streets are vital to London's communities but have suffered under the downturn, compiling the longer term threats of competition from out-of-town shopping centres and the internet. Empty spaces on high streets can also play a role in providing affordable work space to start-ups, SMEs, social enterprises and even creative purposes, including artist-led organisations seeking gallery and studio space.

To help secure a future for London's high streets, Labour Members of the London Assembly would take forward a number of initiatives outlined in the Assembly Economy Committee's report on high streets, published in March 2013. We would:

- Explore the feasibility of a new London-wide service to provide advice and mediation support for small businesses that are seeking to negotiate new lease terms with landlords. This would incur **nil cost** in 2015/16 as the exploratory work would be carried out by GLA staff.
- Launch a London-wide empty shops and offices register that lists landlords' details into an online database. This would allow landlords and potential tenants to more easily connect. We envisage this would require a similar investment to similar schemes run by the Mayor, such as the London Moves website that cost £71,200 followed by a monthly support cost of £1,250.¹²² We would therefore allocate a total investment of **£0.087 million** in the financial year 2015/16.
- Establish a London-wide 'academy', through which business groups can receive regular training and advice from experts – such as representatives of existing Business Improvement Districts (BIDS) and other traders groups – on how to set up such groups and deliver improvements to the local business environment. Labour Members of the London Assembly would be willing to invest an initial investment of **£0.5 million** in the financial year 2015/16.

Help for London's Street Markets

In 2009, the House of Commons Communities and Local Government Select Committee investigated the future of street markets in the 21st Century, identifying "*prolonged decline [of street markets] coinciding with the growth of supermarkets*"¹²³. This is a matter of concern not merely because of the social value of street markets but because of the important economic contribution street markets make to life in the capital.

In its 2008 *London's Street Markets Report*, the London Assembly's Economic Development, Culture, Sport, and Tourism Committee noted that a study of Queen's Market in Newham generated more than £13 million for the local economy per annum and provided 581 jobs¹²⁴. It was also found that the market delivered twice as many jobs per square metre as a supermarket; provided a significant amount of employment to people living in the immediate local area; offered more highly skilled and varied jobs; and provided greater opportunities as 'incubators' to start a business and acquire business knowledge¹²⁵. Street markets are also popular with

¹²² Housing Moves, Question No: 2013/4121, Tom Copley

¹²³ House of Commons Communities and Local Government Committee, *Market Failure?: Can the traditional market survive?*, HC 308-I, p.16

¹²⁴ London Assembly Economic Development, Culture, Sport, and Tourism Committee (2008), *London's Street Markets*, p.11

¹²⁵ New Economics Foundation (2006), *The World on a Plate: The economic and social value of London's most ethnically diverse street market*, p.2

local, more conventional, traders due to the higher level of footfall they generate on the high street.

In addition to their direct economic impact, markets also have a role to play in tackling food poverty¹²⁶ in the capital, with studies finding that street markets are substantially cheaper than supermarkets¹²⁷. Queen's Market, for example, was found to be 53% cheaper than the local ASDA supermarket¹²⁸.

Despite the economic and social benefits of London's street markets, they are under pressure from the expansion of supermarkets. However, the challenges markets face, the New Economics Foundation argues that "with the right mix of support and appropriate strategies, street markets and farmers' markets can play very significant roles in tackling food poverty, promoting stronger communities and increasing the impacts of regeneration across London"¹²⁹. With this in mind, Labour Members propose to invest in a fund to launch new street markets across London's high streets – including providing seed funding, advice to local authorities and traders and in providing funding for street scene improvements where appropriate. In the financial year 2015/16 we would invest **£0.5 million** in this programme, although we envisage this increasing in future years as a solid pipeline of schemes is brought forward by boroughs and potential street traders. This scheme would also provide practical support to those seeking to establish a new street market without financial support.

Help for Small and Medium-sized Enterprises

Small and Medium-sized Enterprises (SMEs) are the life-blood of London's economy and are crucial in driving innovation¹³⁰. While our budget proposals would generate growth for London and help foster small business growth, we are also conscious of the need for other measures aimed at directly assisting small businesses.

As part of the preparation of this document, Labour members held a Small Business Roundtable, inviting representatives of BIDs, local government officers, the Federation of Small Businesses and industry experts, to discuss the key challenges facing SMEs. A wide range of issues were discussed including connectivity, access to finance, the growing cost of living, business support, affordable workspace, growing export opportunities and skills and apprenticeships.

Labour Members are in no doubt that London is one of the best places in the UK to be an SME. But it is equally clear that the Mayor needs to do much more to ensure London remains competitive, both nationally and internationally. At the core of achieving this will be integrating the concerns of SMEs with the decision making process at City Hall.

To this end, and for the third year running, London Assembly Labour Members are proposing the establishment of a London Small Business Agency (LSBA).

The LSBA would produce research and recommendations which would provide the GLA with an understanding of the diversity of needs across the small business community so that areas of

¹²⁶ Mason, P., *The growing demand for food banks in breadline Britain*, BBC Online, 04.09.12

¹²⁷ New Economics Foundation (2005), *Trading Places: The Local Economic Impact of Street Produce and Farmers Markets*, p.44

¹²⁸ Op.cit, *The World on a Plate: The economic and social value of London's most ethnically diverse street market*, p.2

¹²⁹ Ibid, p.54

¹³⁰ 'SMEs in London's economy', GLA Intelligence Unit

policy – such as access to finance, GLA procurement, and investment – are made with small business interests in mind. The creation of the agency would aim to replicate the success of similar ventures in both the U.S and Singapore by providing a formal working conduit between the Authority’s economic development policy officers and small business entrepreneurs¹³¹. We would allocate **£0.5 million** to this initiative in the financial year 2015/16.

Combating the connectivity curse

Despite London’s reputation as a major communications hub, London’s Small Businesses still suffer the “connectivity curse” of delayed installations, poor customer service, slow speeds and long and complex contracts. In some cases, areas of London famous for their innovation in the tech sector are being held back by what seems to be an intractable problem. The Design Company Moo.com had to wait for more than a year to be connected¹³². This is totally unacceptable and threatens the very viability of the capital’s newest start-ups. The Mayor’s response thus far has been underwhelming, establishing a Connectivity Advisory Group whose capacity to tackle the problem remains unclear. The Broadband Voucher Scheme has been criticised as overly bureaucratic and does not itself pay for new infrastructure, only connecting SMEs to what is already in place, however inadequate that maybe.¹³³

Labour Members propose a three-point plan to ensure every London SME can have access to superfast broadband:

- The development of a London-wide map showing connectivity blackspots and slow speeds to provide an evidence base on the extent of the problem. This would be updated as new infrastructure goes live and highlight priority areas where new investment is required. Labour Members would allocate **£0.30** for this purpose.
- The Mayor needs to make tackling the “connectivity curse” a serious priority and start by amending the London Plan so that the GLA has an on-going commitment to promote investment in digital connectivity infrastructure. This would mirror the commitment made to promote investment in gas and electricity supplies. This would incur **nil cost**.
- Establish an inquiry into connectivity in the capital, with broad terms of reference, to collate the experiences of SMEs of broadband speeds, customer service and the time taken to complete installation. This would act as a sister document to the London wide-map and be used to lobby for further investment and if unsuccessful, regulatory reform. Labour Members would allocate **£0.30** for this purpose.

Selling London’s business to the World

The Mayor’s recent focus on exports and trade missions for SMEs is a laudable attempt to show the world what London has to offer. Unfortunately, the Mayor’s late conversion to helping SMEs grow their export markets and make new contacts, such as through the “Great Tech Expedition”, suffers from a chronic lack of imagination and drive.

The Mayor’s 27th report to the Assembly highlighted the value of exports, stating “businesses in London exported £147 billion of goods and services to customers outside the UK over a twelve

¹³¹ Doughty, N. (2011), *Fulfilling the promise of British Enterprise* (Interim Report of the Labour Party Small Business Taskforce), p.6

¹³² As reported in the [Hackney Gazette](#) (Accessed 3.12.14)

¹³³ As reported in [City AM](#) (Accessed 3.12.14)

month period up to the middle of 2014".¹³⁴ Labour Members want to see more London SMEs given the opportunity to access new markets by making better use of the contacts and partnerships already established at borough level. Hackney Council's Regeneration Team has an enviable reputation at delivering their "Hackney House" project since its inception during the Olympic Games in 2012.¹³⁵

Using one of the world's most famous festivals, South by South-West (SXSW) in Austin, Texas, as the launch pad, council officers converted a previously derelict 7,000 sq ft space in central Austin into a centre showcasing the innovation of Hackney's most up and coming SMEs. The benefits to those taking part and to the borough itself speak for themselves. Hackney Council report that £7,589,500 worth of business leads were generated with 1,435 people attending and 20 Hackney companies in attendance. Companies visiting Hackney House included Google, Apple, Saatchi and Saatchi and Adobe.¹³⁶ Recent answers to Mayoral Questions indicate a lethargic approach to the "Great Tech Expedition" and similar schemes with comparable information on outcomes not yet available.¹³⁷

This project, led by a single borough team casts a long shadow over the Mayor's effort thus far. It is reasonable to infer from the success of the project that officers at a borough level understand the needs and unique characteristics of local SMEs in much greater depth than officers at a pan-London level.

Labour Members propose a **£0.75 million** fund to assist five London Boroughs to establish a presence at an international festival or trade fair where local SMEs can engage with potential investors and clients and deliver tangible economic benefits for the boroughs concerned. Existing officers within the Enterprise directorate would collaborate with staff at London and Partners and UKTI to facilitate this borough led scheme.¹³⁸

Supporting parents into work

London has the lowest rate of parental employment of any region in the United Kingdom.¹³⁹ Just 63.3 per cent of London mothers with dependent children are in employment, a figure 15 per cent lower than in the rest of the UK.¹⁴⁰ The employment rate for single parents is even lower. Single parents with dependent children make up 10 per cent of all London households, yet have just a 57.5 per cent employment rate, compared to 60 per cent elsewhere in the UK.¹⁴¹

The key reason for this is that the cost of childcare in the capital is 28 per cent higher than the national average, which presents a significant barrier for many parents who would wish to return to work and increases poverty in the city.¹⁴² Further to high costs, the '2014 London Childcare Report' found serious gaps in the provision of childcare services in London. Of particular concern are the twenty-three London boroughs that did not have enough childcare

¹³⁴ The Mayor's 27th Report to the London Assembly, covering the period 6th November to 3rd December 2014.(p.10)

¹³⁵ Hackney House [Website](#) (Accessed 3.12.14)

¹³⁶ All information provided by Hackney Council.

¹³⁷ As evidenced by the answer given to [MQ 2014/4596](#) (Accessed 3.12.14)

¹³⁸ The costs for the establishment of a "pop up" Borough presence are based on an extrapolation of the costs incurred by Hackney Council in organising "Hackney House" at the SXSW Festival in 2014. This was £150,000 not including promotional support provided free of charge by local firms.

¹³⁹ Worklessness in London 2012, GLA Intelligence, October 2012, page 8

¹⁴⁰ '2014 London Childcare Report', Family and Childcare Trust, 2014, p.1

¹⁴¹ '2014 London Childcare Report', Family and Childcare Trust, 2014, p.3

¹⁴² '2014 London Childcare Report', Family and Childcare Trust, 2014, p.1

for under-tuos, a worse position than in 2012.¹⁴³ The problems of cost and supply are compounded by the fewer informal childcare options available to Londoners, given the large proportion of the population that migrated to the capital from other parts of the United Kingdom and abroad.

This is not just a problem for those parents that are prevented from returning to work, this is also a significant barrier to economic development as it prevents the efficient allocation of skills and resources within the labour market.

The most efficient means for tackling problems associated with childcare would be for the Government to introduce universal provision. A 2011 report by the Institute for Public Policy Research reported that, “compared to other OECD countries, the UK has relatively high female employment rates... but the gap between the rates of female employment (25 to 49 age cohort) and maternal employment (women with children under the age of 15) is higher than in other OECD countries”.¹⁴⁴ The report further noted that countries with “higher maternal employment rates, such as the Scandinavian countries, tend to have affordable and high-quality childcare provision alongside comprehensive parental leave policies”.¹⁴⁵ The report estimated that universal childcare would actually raise a net return to the Treasury of £4,860 every four years as a result of increased earnings and higher tax intake; essentially more than covering the cost of the policy.¹⁴⁶

Labour Members believe the Mayor should act to tackle childcare failings in London. We would launch a commission into childcare provision in London, bringing together childcare experts, local authorities and other interested parties (from fields including town planning and education) to examine the strategic intervention that City Hall could make. This would examine whether funding and policy levers should be devolved to the GLA and how the GLA could use its current powers, budgets and influence to coordinate provision across borough boundaries, fill gaps in provision and bring down costs for parents. We would assign **£0.1 million** to this commission in the financial year 2015/16.

Between 2005 and 2008, the former Mayor developed a programme for piloting new and innovative methods of delivering affordable childcare.¹⁴⁷ This funding, with two thirds held by the London Development Agency and the remaining third held by the Sure Start Unit, funded two pilot rounds: The first pilot aimed to reduce the cost of full day-care and the second to encourage providers to offer more flexible and part-time care.

These programmes were cancelled after Boris Johnson’s election in 2008,¹⁴⁸ However, we believe it should be a priority for the Mayor to keep developing innovative means of delivering new affordable childcare schemes in the capital. Working with childcare providers and charities, we would insist that, during Stage III planning negotiations for large sites seen by the Mayor, an affordable childcare scheme is included in the planning agreements, with strict clauses included in agreements to ensure rent levels are genuinely affordable. A register of viable childcare schemes would be produced by GLA officers over the course of the financial year 2015/16 at **nil additional cost**.

¹⁴³ ‘2014 London Childcare Report’, Family and Childcare Trust, 2014, p.4

¹⁴⁴ ‘Making the Case for Universal Childcare’, Institute for Public Policy Research, December 2011, p.7

¹⁴⁵ ‘Making the Case for Universal Childcare’, Institute for Public Policy Research, December 2011, p.7

¹⁴⁶ ‘Making the Case for Universal Childcare’, Institute for Public Policy Research, December 2011, 10

¹⁴⁷ ‘More childcare for families in London’, Greater London Authority, 22 March 2005

¹⁴⁸ ‘Every London household to lose £200’, London Assembly Labour, 10 February 2011

b) Reducing economic inequality

Pay

London has become a more unequal city since 2008, with severe hardship faced by an increasing number of residents in this city. Addressing poverty has not been a priority for the Mayor; in November the mayor claimed that the greatest thing about London is its “72 billionaires”,¹⁴⁹ while poverty was mentioned just once in the 186 pages of his 2012 manifesto.¹⁵⁰

The London Assembly Labour Group believes that addressing poverty should be a priority for the Mayor. In 2015/16 we would bring forward a London Poverty Strategy, which would investigate the trends in poverty across the capital over recent years and outline the policy responses required to address the poverty crisis, including pay and employment, social security and housing. This strategy would be prepared and coordinated by GLA officers, incurring **nil additional cost** in the financial year 2015/16.

With the proportion of jobs paying less the London Living Wage increasing, more needs to be done to deliver the Mayor’s ambition that the wage is the ‘norm’ in the capital by 2020. The Mayor needs to demonstrate that the voluntary approach to achieving take up of the London Living Wage can work. In 2015/16, Labour Members would allocate an additional **£0.5 million** to the GLA’s business engagement team for extra officers, materials and resources with the specific purposes of rapidly increasing the number of employers paying the London Living Wage. We would focus on employers in the low-wage sectors – including cleaning, hospitality and catering, retail and social care – and set a specific performance indicator for the proportion of jobs paying less than the London Living Wage in London to have reduced in the year to April 2016.¹⁵¹

If this sufficiently resourced programme fails to prove that the voluntary approach can deliver, then the Mayor should lobby the government to introduce a living wage on a statutory basis. Such a move would likely have a positive macroeconomic impact on jobs in the United Kingdom. As a report by Landman Economics in October 2013 noted:

“Using reasonable assumptions about the structure of the labour market and the current scope for economic stimulus in the UK economy, it is unlikely that the extension of the living wage to all UK employees would result in any substantial aggregate employment losses. In fact, it is quite plausible that adopting the living wage on a statutory basis could actually increase overall employment in the UK.”¹⁵²

Social security

Despite London bearing the brunt of social security cuts, the Mayor has refused the Assembly’s numerous requests that the GLA monitors the impact of welfare reform on Greater London.¹⁵³ In 2015/16, we would allocate **£0.15 million** to a programme for monitoring the impact of welfare reform. This would bring together the GLA, third sector partners and London’s local

¹⁴⁹ ‘Boris brags about London’s exotic army of billionaires’, The Times, 28 November 2014

¹⁵⁰ ‘Growing the London Economy’, Boris Johnson Mayoral Manifesto 2012, 2012, p.18

¹⁵¹ ‘Fair pay: Making the London Living Wage the norm’, London Assembly Economy Committee, February 2014, p.8

¹⁵² ‘The Economic Impact of Extending the Living Wage to all Employees in the UK’, Landman Economics, October 2013, p.17

¹⁵³ ‘Welfare reform (1)’, Mayor’s Question Time, Wednesday, 20 November 2013, Question 2013/4349

authorities to examine the implications of welfare reform and champion measures to limit the damage reform is having on low-income Londoners.

The Welfare Reform Act abolished the discretionary Social Fund (SF), which provided a lifeline for many people facing sudden financial hardship. In April 2013, the Government transferred the funding that would have been available for the Community Care Grant and Crisis Loans elements of the SF for the remainder of the 2011/15 Spending Review period to upper-tier English local authorities.¹⁵⁴ Labour Members have been concerned how by how the localisation of SF has been implemented for two main reasons:

- The funding is not ring-fenced specifically for local welfare assistance schemes,¹⁵⁵ meaning that local authorities can divert funds to other services.
- Many local authorities introduced strict residency criteria to ensure that funding helps those who live in the borough. This means that many groups, particularly victims of domestic abuse and rough sleepers who often relocate across borough boundaries but need emergency welfare assistance, and who previously would have qualified for funding from the national scheme, are unable to access the funding.

In September 2014 the Government agreed to review its decision that, from April 2015, specific funding for Community Care Grant and Crisis Loans would be abolished, with local authorities instead expected to fund the provision out of its diminishing levels of general grant funding.¹⁵⁶ The outcome of this review will be announced by 18 December 2014 at the latest, when the Local Government Finance Settlement is published.

Regardless of the funding decision, we expect some local authorities will continue to provide an element of crisis welfare provision. Therefore, to address the concerns outlined above, we would establish a Pan-London Social Fund to support London's vulnerable residents who require assistance but who fall outside of tightly defined residency criteria. This fund would take a small top-slice from local welfare assistance schemes to provide services for vulnerable Londoners who are unable to access funds. Boroughs would not be compelled to enter the scheme, but those boroughs that do not join will be unable to access funds for vulnerable claimants. The GLA would fund the creation of the framework collecting and managing funds at a cost of **£0.13 million** in 2015/16¹⁵⁷ and would provide an additional **£1 million** per financial year to incentivise boroughs to join this scheme.

But legal entitlements are only useful if they can be enforced. Cuts to civil legal aid have made it more difficult for people to enforce their rights, particularly when it comes to benefit delays, sanctions and housing cases. Nationally, civil legal aid services have more than halved since April 2013, when legal aid reforms were enforced.¹⁵⁸ Despite this, many local Law Centres have seen increased demand for services. For example, Hackney Community Law Centre (HCLC) has reported a 40 per cent increase in the number of people coming to them for free legal advice, now working on 3,000 cases a year.¹⁵⁹

¹⁵⁴ 'Local welfare provision in 2015/16', HM Government, October 2014, p.7

¹⁵⁵ 'Local welfare provision in 2015/16', HM Government, October 2014, p.7

¹⁵⁶ 'Local welfare provision in 2015/16', HM Government, October 2014, p.7

¹⁵⁷ Labour Members envisage the cost of establishing this framework would be similar to the costs involved in establishing the framework through which energy companies now dispense of their home efficiency responsibilities through RE:NEW.

¹⁵⁸ 'Cuts to free legal aid have hit "squeezed middle" hardest', East London Lines, 5 November 2014

¹⁵⁹ 'Cuts to free legal aid have hit "squeezed middle" hardest', East London Lines, 5 November 2014

To improve legal representation, Labour Members would invest **£4 million** in a fund to support London's twenty Law Centres.¹⁶⁰ Law Centres would apply for funding from this programme, based on the level of local need they have identified and detailing the extra provision they would provide with funding. This would allow funding to be directed more efficiently to where it is needed most. We would work with the London boroughs to ensure this funding is in addition to any financial support that may also be provided by the London boroughs. We would also seek to work with partners in the third sector and the London boroughs to develop a pan-London strategy for coordinating legal advice services, part of which would include a portal for signposting sources of free legal advice. We envisage this requiring an investment of **£0.15 million** in total.

A Zero-Hunger City

At present, the Mayor has committed to funding the Greater London Authority Food Programme to the value of £0.6 million in 2015/16 and then £0.3 million in 2016/17.¹⁶¹ Given the importance of this issue, we would confirm the long-term future of a food programme at City Hall as part of a drive to create a Zero-Hunger City by guaranteeing funding for at least £0.6 million per annum until the end of the next mayoral term in 2019/20. This would incur **nil additional funding** in the financial year 2015/16.

Labour Members would build on the current approach to tackling food poverty by providing match-funding to help boroughs introduce universal free school meals for all primary school-age children in the capital. Where introduced, universal free school meals have delivered significant benefits for educational attainment, health and wellbeing, and social development.¹⁶² During the government pilots from 2009 to 2011, these benefits only occurred in those schools where eligibility was universal, with schools where eligibility was merely extended showing few benefits compared to the current system.¹⁶³

This would require an investment of **£29.7 million**¹⁶⁴ by the Greater London Authority to supplement the free school meals funding already provided to London's primary schools for children from low-income households as well as the new infant school entitlement being introduced from autumn 2014. However, we believe this cost is an overestimate, as a more strategic system of London-wide food procurement would maximise economies of scale. Cost reductions have been generated in boroughs where joint food procurement has been implemented, for example in Camden and Islington, and we would expect similar cost savings to occur in a London-wide universal free school meals policy.

In addition to universal free school meals for primary school children not covered by the Government's proposals, we would pilot universal free school meals at a number of secondary schools across London for two years. This would be trialled at schools in boroughs where universal free school meals are already available for primary school pupils so that a fuller evaluation of the longer-term benefits of free school meals can be produced. Given the average cost of free school meals is £287 per pupil,¹⁶⁵ and the average London secondary school size is

¹⁶⁰ This figure is based on the current level of funding provided by the London Borough of Hackney to Hackney Community Law Centre and Hoxton Legal Centre, which is nearly £0.2 million.

¹⁶¹ 'Draft GLA Budget for 2015-16' Greater London Authority, 20 November 2014, p.15

¹⁶² 'A Zero Hunger City: Tackling food poverty in London', London Assembly Health and Environment Committee, March 2013, p.23

¹⁶³ 'A Zero Hunger City: Tackling food poverty in London', London Assembly Health and Environment Committee, March 2013, p.23

¹⁶⁴ The total cost of implementing this policy in October 2013 was estimated as £58.7 million by 4 in 10. This figure has been uprated for October 2014 using the Consumer Price Index.

¹⁶⁵ Data provided by 4in10 in 2013, uprated for 2014 using the Consumer Price Index

1,000 pupils,¹⁶⁶ we would run this trial across 10 London secondary schools at a cost of **£2.87 million**¹⁶⁷ in the financial years 2015/16 and 2017/18.

Tackling problem debt

While the number of households affected by problem debt in London is difficult to establish, debt charity StepChange believes that London is the most over-indebted region in the United Kingdom.¹⁶⁸

Furthermore, a number of indicators suggest problem debt could become more problematic in London. A particular concern is the potential impact of a rise in the Bank of England interest rate. In July 2014 the Resolution Foundation warned that the rising cost of housing in London is a particular concern in relation to over-indebtedness, estimating that 13 per cent of London mortgage holders are now in the most at risk group.¹⁶⁹ To monitor risks in relation to problem debt, Labour Members would reconvene the London Debt Strategy Group (LDSG), which the Mayor disbanded in 2011, to monitor risks in relation to debt in London and propose measures to alleviate these risks. We would allocate **£0.05 million** for secretariat support in 2015/16. People on low incomes are often forced to pay a high price for credit and other suitable financial services – commonly referred to as paying a ‘poverty premium’.

The principal problem faced by financially excluded households concern the lack of access to affordable credit. Credit unions help address this by imposing a maximum interest rate on loans of 2 per month (equivalent to 26.8% APR) capped by legislation.¹⁷⁰ Credit unions are also an important source of access to other financial products, such as bank accounts.¹⁷¹

To help Londoners suffering from financial exclusion and debt, Labour Members would make available the Greater London Authority’s unique access to Transport for London advertising to London’s Credit Unions, pro bono, to rectify the barriers to market entry that Credit Unions face. This would give local Credit Unions greater recognition among communities and help to raise awareness of alternative options to harmful high street lenders. This policy would incur **nil additional cost** to the Greater London Authority in the financial year 2015/16.¹⁷²

c) Support for young people

Given the persistently high youth unemployment rate in London, lack of comprehensive careers guidance and a slowing in the rate of apprenticeship starts in London, we would expand our offer to young people to include a complete package to secure quality information and lasting employment.

¹⁶⁶ ‘Secondary schools are too big’, The Independent, 24 February 2013

¹⁶⁷ The cost of implementing this policy in October 2013 was estimated as £2.84 million from figures for the provision of Universal Free School Meals in primary schools. This figure has been uprated for October 2014 using the Consumer Price Index.

¹⁶⁸ <http://www.stepchange.org/Infographics/LondonCapitalofpersonaldebt.aspx>, accessed 20.08.14

¹⁶⁹ ‘Hangover Cure: Dealing with the household debt overhang as interest rates rise’, Resolution Foundation, July 2014, p.57

¹⁷⁰ ‘Credit Union Expansion Project Project Steering Committee Feasibility Study Report’, p.7

¹⁷¹ ‘Credit Union Expansion Project Project Steering Committee Feasibility Study Report’, p.7

¹⁷² The response to written question 2014/4329 states that Transport for London provides free advertising space to the Mayor of London in the following formats: Tube, 456 panels per week; Metro TfL page, 1 ad per month of 20 x 3 size (a quarter of the page); TfL website, main banner (2 slots per year – 1 week each) and 1 MPU (Mid page unit) per month across the site. For the Tube, Metro and TfL website channels the space allocated each year remains the same. For posters on the Bus network, the forecasted allocation for the financial year 2015/16 is an average of 1195 posters per month. The spaces provided to the Mayor are not sold commercially.

Young Person's Job Guarantee

Youth unemployment remains a huge concern in London and particularly for those in long-term unemployment, which amounts to 11 per cent of those aged 18-24 and unemployed in London.¹⁷³ Unemployment in youth can lead to long-term reductions in wages, increased chances of subsequent periods of unemployment, and poorer health outcomes.¹⁷⁴ This is a particular issue for young black males, who make up 6 per cent of London's youth population¹⁷⁵ but 24 per cent of London's young jobseekers.¹⁷⁶

Working closely with appropriate employers, the Labour Group's jobs guarantee would provide participants with 21 hours employment per week at the London Living Wage. Based on the 2,805 18-24 year-old Londoners unemployed for more than 12 months as at December 2014, the scheme would require an investment of **£14.02 million** to finance in 2015/16.¹⁷⁷

The proposal would provide a range of short-term and long-term benefits to participating individuals, businesses, and the wider London economy, including:

- **Preventing another 'lost generation'** of unemployed young people whose future earnings potential and employment security is currently threatened by long-term unemployment¹⁷⁸;
- **Generating up to £10.35 million for HM Treasury** through increased National Insurance payments, reducing the Job Seekers' Allowance bill and through the VAT generated by the sale of consumer goods by participants of the scheme¹⁷⁹; and
- **Generating up to £22.42 million for the London Regional Economy** through increased economic activity resulting from increased employment.¹⁸⁰

Please see overleaf...

¹⁷³ ONS, (03.12.2014), Claimant count, age and duration

¹⁷⁴ 'Short-term crisis, long-term problem? Addressing the youth employment challenge, The Work Foundation, Lee, Sissons, Balaram, Jones, Cominetti. 2012.

¹⁷⁵ Black Training and Enterprise Group (BTEG), (24.09.2014), *Young black men still over-represented in London's benefit claimant figures, says charity*

¹⁷⁶ ONS, (01.12.2014), Claimant count, ethnicity and duration

¹⁷⁷ Total funding cost of 21 hours a week of work at the London Living Wage (currently £9.15 per hour) for each of the 2,805 long-term young unemployed for the entirety of the 26 week programme.

¹⁷⁸ Op.cit, *Short-term crisis, long-term problem? Addressing the youth employment challenge*, The Work Foundation

¹⁷⁹ £10.35 million comprises – 1) A total of £4,182,535.5 in reduced JSA payment as a result of the reduction in the JSA count by 5,295 (18-24 year-olds in London in long-term unemployment) * £56.80 (under 24 JSA weekly rate) * 26 (number of weeks the scheme would operate); 2) £1,681,619.94 in increased National Insurance payments - £14,013,499.5 (total gross pay to recipients) * 0.12 (the rate of National Insurance paid by scheme participants – 12%); 3) VAT generated by expenditure in the broader economy resulting from the scheme - £22,421,599.2 (expenditure resulting from scheme using an assumed fiscal multiplier of 1.6 (see footnote 15)) * 0.2(VAT at 20%). Please note: i) no income tax would be generated by the scheme as participants' income would fall below the HMRC tax-free allowance of £10,000; ii) Discounting Value Added Tax from scheme-related consumption, the revenue generated for HMT by the scheme would be £4,484,319.84 (22,421,599.2 * 0.2).

¹⁸⁰ The net pay received by recipients of the scheme (£14,013,499.5)*1.6 (the estimated fiscal multiplier for a study of 27 countries during the 1930s (the episode that most closely characterises the liquidity trap currently faced by the U.K. Source – Blanchard, O., Leigh, D. (2013), Growth Forecast Errors and Fiscal Multipliers, International Monetary Fund Working Paper 13/1, p.4).

Pan-London careers guidance

The Education Act 2011 placed the duty of independent and impartial careers guidance for pupils over the age of 13 onto schools. Connexions, a government funded agency was cut back to become solely a phone and online service crucially without face to face careers guidance which provides the most benefit to young people.¹⁸¹

Since the disbanding of Connexions, evidence shows that schools do not always provide comprehensive information about all options available.¹⁸² Moreover, Ofsted found that the National Careers Service is not well promoted in schools and does not focus sufficiently on supporting young people up to the age of 18.¹⁸³ Young People are not receiving equal and clear guidance when it comes to deciding their future career pathway. Schools are likely to rely on informal advice-givers such as non-specialist staff who do not necessarily have the information, understanding or qualifications needed to provide adequate careers guidance.¹⁸⁴ Prospects, in their submission to the Youth Jobs Taskforce state:

“While there is a “conveyor belt” of established support for those heading towards university education, there is no similar mechanism for half of the population who can’t or don’t wish to progress to higher education.”¹⁸⁵

Furthermore, employers do not believe young people have the skills necessary for employment and many businesses favour starting careers education at the age of 13 or 14, or even earlier.¹⁸⁶

Additionally, the disbanding of Connexions has had an impact on the tracking of young people leaving school and the accuracy of data on the number of NEETs in London. Previously the data on NEETs were collected by Connexions in the local area, but now each local area has a dedicated team to contact young people to find their destination after leaving school. This has resulted in a large number of ‘unknowns’ and local authorities have been underestimating the number of NEETs in their area, affecting the funding and services provided.¹⁸⁷ Of all the regions, London is the worst-performing with an estimated 15,000 young unknown NEETs.¹⁸⁸ Tracking this data accurately will enable the Mayor to greater assist NEETs and better estimate funding and initiatives in London.

The Mayor places emphasis on enabling young Londoners to have the skills and knowledge to be work-ready and previously pledged to introduce a pan-London careers service. However, there is currently no provision in place to provide young Londoners with equal access to face-to-face careers advice, this is particularly important for young people from less privileged backgrounds, learning difficulties or disabilities who rely heavily on this guidance.¹⁸⁹

¹⁸¹ The Guardian, (23.01.2013), [Careers advice reforms led to worrying deterioration in standards, say MPs](#), date accessed 03.12.2014

¹⁸² The Guardian, (10.09.2013), [Career advice in schools is failing pupils, Ofsted warns](#), date accessed 13.12.2013

¹⁸³ Ofsted report, (September 2013), *Going in the right direction? Careers guidance in schools from September 2012*, p. 6

¹⁸⁴ London Councils, (Oct 2012), Written evidence to the House of Commons Education Committee

¹⁸⁵ Op. cit. Byrne, The Road to Full Employment: Final Report of the Youth Jobs Taskforce

¹⁸⁶ Byrne, Liam, (23.09.2013), Labour Youth Jobs Taskforce, The Road to Full Employment: Final Report of the Youth Jobs Taskforce

¹⁸⁷ Richard Brooks, *The Fabian Society*, (December 2014), ‘Out of sight: How we lost track of thousands of NEETs and how we can transform their prospects’, p.10

¹⁸⁸ Andrew Grice (17.12.14), *The Independent*, [‘Missing – the 50,000 jobless teens who have dropped off the radar’](#)

¹⁸⁹ Riley, Tim, (27.06.2012), Centre for Economic and Social Inclusion, [‘Careers guidance: time for a rethink?’](#)

A pan-London careers guidance service will work with the National Careers Service to provide young Londoners with equal access to and detailed information of all available options at the end of school. Furthermore, this service will provide advice on applying for jobs and information on appropriate pay and working conditions to ensure young people understand national minimum wage entitlements, particularly for internships.

Labour members propose a pilot scheme in the London Borough with the lowest educational attainment at the age of 16. In 2012/13 this borough was Waltham Forest with an attainment rate of 56 per cent of pupils achieving five grade A*-C at GCSE, lower than the London average of 65.¹⁹⁰ Kensington and Chelsea on the contrary have an attainment rate of 80 per cent. When taking the number of pupils eligible for free schools meals into consideration, there is a strong association between educational attainment and low family income, highlighted in the difference of educational attainment between the two boroughs.¹⁹¹

The pilot scheme would involve:

- A core team, with a careers adviser to develop and implement a careers guidance programme in each school including designing a strategy to collate and distribute information and advice;
- Create career guidance records for each pupil to address their needs including a personal interview with all pupils, and maintain an alumni tracking system to note all destinations, particularly for vocational destinations;
- Establish and provide meaningful encounters with employers;
- Responsible for the design and management of the statutory and additional work experience placements;
- Establish and provide meaningful encounters with further and higher education, including advice with funding and costs;

The cost required for a careers guidance scheme in a London school would be **£55.38 million**.¹⁹² To pilot a careers guidance programme in the 17 schools in Waltham Forest,¹⁹³ would total **£0.94 million**.

A pan-London careers service will provide young Londoners with the information to progress their career, importantly not only through university, but vocational routes such as apprenticeships. This will contribute towards the Mayor's target of 250,000 apprenticeship starts by 2016, which the Mayor is currently under-performing in. By supporting young Londoners applying for further and higher education or vacancies in the jobs market, this pilot scheme would further reduce the number of 18-24 year olds claiming Job Seekers Allowance, and match the right skills to the right jobs reducing the risk of underemployment and NEETs in London.

Paying GLA trainees the London Living Wage

The Greater London Authority currently employs up to six trainees each year. The traineeship programme is a Government scheme aimed at young people aged 16-23, who are not qualified enough (hold qualifications below Level 2) or do not have enough experience to get an

¹⁹⁰ Department for Education, (27.03.2014), Table 5: Achievements at GCSE and equivalent for pupils at the end of key stage 4 by free school meal eligibility and local authority

¹⁹¹ Ofsted, (20.06.2013), [Unseen children: access and achievement 20 years on Evidence report](#)

¹⁹² Gatsby Charitable Foundation, (April 2014), [Assessing benchmarks of good practice in school career guidance](#)

¹⁹³ Waltham Forest Local Authority, Starting Secondary School 2015

apprenticeship place or a job. They are designed to prepare young people for their future careers by helping them gain the experience to become 'work ready'.¹⁹⁴ Therefore the target audience are likely to be young people who did not perform well at school, those who are long-term unemployed and are likely to be from a disadvantaged background.

A traineeship consists of an education and training programme combined with work experience and contains 3 core elements:

- Work placement
- Work preparation training
- English and maths support, if needed

The duration of this programme is 12 weeks and consists of 3 days of work experience in the GLA and 2 days in a training centre in Hammersmith. If they complete their traineeship, they are guaranteed a place on the highly competitive Apprenticeship Assessment of which approximately 300 people apply for 15 places each year – this does not guarantee them an apprenticeship place at the GLA.

The traineeship programme work experience placements are unpaid, but employers are encouraged to support expenses such as transport and meals. The GLA does not pay the young people on the traineeship programme, despite the Mayor previously stating that “all formal GLA work experience should pay the London Living Wage”.¹⁹⁵

It is disgraceful that the Mayor considers that it is acceptable to not pay people who work at the GLA. London Assembly Labour would correct this by paying every GLA trainee the London Living Wage of £9.15 an hour, which, in the financial year 2015/16, would require only an addition **£0.31 million**.¹⁹⁶

¹⁹⁴ [Traineeships Programme](#), Department for Business, Innovation and Skills, date accessed 10.07.2014

¹⁹⁵ [MQ 2014/2245](#). Restrictions to Unpaid Work Experience Placements, Fiona Twycross AM,

¹⁹⁶ London Living Wage salary of £17,653 per year per employee, for 12 weeks (£4,074), plus 24 per cent on-costs (£978), equals £5,052 per trainee, which equates to £30,312 for all six trainees.

3.0 Education

Proposal	Cost or Saving (£m)
Abolish 'New Schools for London' unit	Saving of £0.085
Abolish 'Gold Club of schools' project	Saving of £0.105
London Schools Excellence Fund	£12.75
Supplementary Programmes for Schools (Leadership clubs) and out of hours tuition	£0.518
GLA Education Kitemark	£0.105
Youth ESF Projects	£1.498
New Schools School matching unit	£0.085
Total	14.766

3.1 Critique and Overview

The Mayor has made schooling and education one of his priorities for London. The Labour Group agrees that this should be a priority for the Mayor.¹⁹⁷

Following on from the Education Inquiry¹⁹⁸, which was commissioned by the Mayor¹⁹⁹. Labour Members do not feel that the priorities set by him are the correct priorities for London and wider education policy.

Research by London Councils has shown that the overwhelming priority for education in London should be meeting the extraordinary need for school places that is projected. London is still facing a shortfall of 118,000 places by 2016/17²⁰⁰. Sadly, Central Government has restricted local authorities' ability to meet that growing need²⁰¹.

The Labour Group believes that urgent action is needed to rise to the challenge of the school places crisis. The Mayor should have a more strategic role in the creation of school places. It is our view that revising the London Plan to favour new schools in areas of demonstrated need would be a more prudent measure rather than the recent status quo of the planning policy favouring new schools in areas where need for places has not been demonstrated²⁰².

The Labour Group is not proposing any increase in spending commitments but altering the priorities away from outstanding schools and towards schools and children in need of extra support. The proposal is also to create a stronger link between the Mayor's planning powers and subsequent changes in planning policy towards the provision of school places in new developments.

This is pragmatic approach in light of budget limitations and lack of statutory power in this area.

¹⁹⁷ [The Mayor's first education inquiry \(February 2012\)](#) retrieved 08.01.2014

¹⁹⁸ [The Mayor's Education Inquiry Final Report Findings and Recommendations – October 2013](#) retrieved 08/01.2014

¹⁹⁹ [Boris Johnson launches inquiry into London schools, 2011](#) retrieved 08.01.2014

²⁰⁰ ['Do the Maths' report, London Councils, April 2013](#) retrieved 08.01.2014

²⁰¹ [The Academy/Free School presumption advice, Department for Education, July 2013](#) retrieved 08.01.2014

²⁰² [London Plan REMA – 11 October 2013 – Section 3.103 "planning authorities should give great weight to the need to create, expand or alter schools and work with school promoters to identify and resolve key planning issues at an early stage.](#) retrieved 08.01.2014

3.2 Out of Hours Tuition

The Labour Group would provide grants to schools whose students face socio-economic barriers to academic attainment to be invested in one to one after school numeracy and literacy tuition. This would echo similar schemes being trialled in Manchester by a grant from the Education Endowment Foundation. A recent Sutton Trust review suggested that 6-12 weeks of intense one-to-one Maths and English tuition typically generates 5 months of additional pupil progress.²⁰³

The project would be trialled in 50 schools at an estimated cost of £300,000. If successful, Labour members would apply to the Education Endowment Fund for additional funding. The Labour Group would seek to alter the terms of the London Schools Excellence Fund grant from the Department for Education and redirect funding towards this project.

The Labour Group would merge this scheme with the Supplementary Programmes for Schools (Leadership clubs) and combine the funding, raising the level of funding to £518,000 for the forthcoming financial year.

3.3 GLA Education Kitemark

Labour Members believe that the Mayor's 'Gold Club' scheme is not what is needed to support London schools. The Gold Club praises the best schools²⁰⁴ in London and whilst Labour members join the Mayor in celebrating our successful schools, it is the view of Labour members that the resources would be better used in school in need of assistance. Given these deficiencies, the Gold Club scheme would be replaced with a London Kitemark. Schools eligible for the Kitemark scheme would be schools that have showed improvement in quality in a short space of time and opt in to the family of local authority schools rather than be independent of local authorities to ensure strong financial safeguards for the taxpayer as Labour members share the concerns raised by the National Audit Office that academies and free schools often lack the necessary scrutiny over finances. We believe that this link is important to make sure that safeguarding issues and protocols remain as clear as possible and that the historic relationship between schools and children services departments in local authorities remain intact in order to prevent fragmentation of the entire children's services sector and ensure best practice. We would seek local authority advice on which schools outside of their control should be included within the Kitemark scheme.

We anticipate the administration of the Kitemark scheme to be costed at an estimated £105,000.

3.4 New Schools School Matching Department

All new large scale developments are given preferential planning treatment if they include New schools in the proposals²⁰⁵. Due to government restrictions on these schools being local authority run schools, they need to be tendered for by companies, charities or neighbouring academies²⁰⁶. The proposal is to assist in matching new schools with the closest existing outstanding academy, rather than allow private companies to take over new schools in Mayoral

²⁰³ [Education Endowment Foundation Research, 2013](#) retrieved 08.01.2014

²⁰⁴ ["The Mayor's London Schools Gold Club is an annual scheme which celebrates and shares exceptional practice in London's primary and secondary schools."](#) Description of Gold Club from official website retrieved 22.01.2014

²⁰⁵ [Policy statement – planning for schools development, Department for Communities and Local Government](#) retrieved 22.01.2014

²⁰⁶ [Who can run an academy?](#) Department for Education, November 2013 retrieved 22.01.2014

approved developments. Labour Members believe that new schools will benefit from being paired with existing neighbouring schools and that this lowers the initial risk in opening a new school as well as providing reassurance for parents considering whether to send their children to a new school. The Mayor should have a role in deciding the sponsor of new schools which require his approval.

Labour Members fundamentally oppose the principle of unfettered Free School creation in light of budget restrictions and the uncertain long term cost implications of free schools²⁰⁷. Because of this, we would terminate the New Schools for London unit. 38%²⁰⁸ of new school places provided by free schools nationally are in London. Despite suggestions from the Mayor that New Schools for London will assist him in fulfilling his pledge to open 10 free schools on GLA sites²⁰⁹, the Assembly has yet to be provided with any evidence that New Schools for London played role in the founding of these new schools.

Labour Members would replace New Schools for London with a unit that works with the borough council planning departments in trying to maximise schools places in areas of need out of new developments through developer contributions. The new unit would also act as a school match-maker by linking up existing successful local academies as sponsors for schools on new developments.

Labour members anticipate the estimated cost to be £85,000.

3.5 Cuts of 90% to Education and Youth Funding

In the leaked internal briefing GLA officers stated (regarding the proposed 90% cuts): “Decreasing our funding has a disproportionate impact on the most vulnerable groups of young people”, the report goes on to state “There remains a need to invest in education and youth. While there has been continued improvement in London’s educational attainment, there is increasing concern with respect to 17-plus achievement...There are low numbers of apprenticeships, high numbers of children are living in poverty and specialised support is required to improve the attainment of the most vulnerable groups.”

Labour Members with GLA officers and believes that funding to projects of this nature need long term secure funding to enable the best possible outcomes for London’s young people.

Labour Members believe that this is a deeply worrying cut. The mayor is effectively abolishing careers advice and support for teachers and volunteering. Labour members suspect he plans to use this money as a sticking plaster to cover forthcoming, politically damaging cuts in policing.

Labour Members note the significant achievements of this funding so far and believe that the Mayor would be letting down the future of our city by cutting programmes which achieve outcomes like:

- Supporting 5,000 teachers through the London Schools Excellence Fund which will be working with 1,200 schools by the end of this academic year
- 1182 young people benefiting from careers guidance with an outcome of 855 remaining in either education, employment or training placement 12 months after leaving the programme

²⁰⁷ [Key findings, section 7 Establishing Free Schools, National Audit Office, 11 December 2013](#) retrieved 22.01.2014

²⁰⁸ [Establishing Free Schools, National Audit Office \(Page 4 – Key Facts\), 11 December 2013](#) retrieved 22.01.2014

²⁰⁹ [Letter from Mayor of London to Chair of Education Panel, 5 November 2013](#) retrieved 22.01.2014

- helping 4000 young people who have disengaged or are at risk of disengaging from EET (those with learning difficulties and disabilities and resettlement support for young offenders)
- leadership clubs in 30 schools, and engaged with over 1200 pupils
- mentoring programme for more than 1,000 black boys who are at risk of offending

A Labour administration would work with a Labour government to ensure that funding for youth and educational programmes are sustainable in the future.

4.0 Environment

Environment	Cost (£)
Research project in to the creation of community energy cooperatives in London	0.5
London air quality study – Creating a bigger, stronger, ULEZ	0.5
Establishment of a GLA London ‘noise team’	0.25
H.E.A.T (Home Energy Advice Team)	1.0
Clean Air Routes to School	0.45
Total	2.7

4.1 Critique of the Mayor’s Approach

An “annus horibilis” for air quality in the capital

2014 was a defining year for Mayor Boris Johnson’s environment policies. It was the year that air pollution, already one the biggest challenges facing London, took political centre-stage as London was twice covered in a thick smog and air quality levels hit the highest possible level.²¹⁰ There was serious deficit of advice to the public from both central government and the Mayor. The Prime Minister, poorly briefed, told the nation “*it’s a naturally occurring weather phenomenon*” whilst the Mayor told Londoners “*I cycled this morning and it seemed perfectly fine to me*”.²¹¹ Some London schools were concerned about the lack of advice and decided to keep children indoors during playtime.²¹² Despite the Mayor’s ill-informed advice the situation in London was very far from “perfectly fine”. The London Ambulance Service reported a 14% spike in emergency calls to patients with breathing problems.²¹³ The charity Asthma UK, said the two-thirds of people with asthma who find that air pollution makes their condition worse “will be at an increased risk of an attack”.²¹⁴

The air did eventually clear. But the real legacy of air pollution in London is not always immediately apparent. However science is changing that. The evidence of the public health impact of air pollution is growing all the time. Disappointingly, this evidence is not being translated into public policy. A few months after the smog incidents the Mayor announced a significant weakening of his proposed Ultra Low Emission Zone. The first press release was clear; “*a scheme that would aim to ensure **all vehicles** driving in the centre of the capital during working hours would be zero or low emission*”.²¹⁵ If however, the Mayor intends to permit vehicles less than diesels at Euro 6 standard and Euro 4 for petrol for a fee as was reported this summer, then plainly **that is not all vehicles**.²¹⁶

²¹⁰ “Air pollution reaches high levels in parts of England” ([BBC News Website](#) Accessed 30.9.14) Explanatory Note: The level ten figure was not from the web article but from readings on the 3rd April.

²¹¹ “Boris Johnson accused of ‘dangerous complacency’ over pollution scare” ([ITV News in London Website](#) Accessed 30.9.14)

²¹¹ “UK smog: David Cameron accused of misunderstanding air pollution crisis” ([Guardian Online](#) Accessed 30.9.14)

²¹² “Pupils should stay indoors at lunch to avoid smog, says UK government adviser” ([Guardian Online](#) Accessed 30.9.14)

²¹³ “London Ambulance Service sees an increase in patients with breathing problems” ([London Ambulance Service Press Release](#) Accessed 15/5/14)

²¹⁴ “Air pollution reaches high levels in parts of England” ([BBC News Website](#) Accessed 24/4/14)

²¹⁵ “Mayor announces air quality game changer” [ULEZ Press Release](#) from February 2013 Accessed 21/8/14)

²¹⁶ “Diesel drivers may face higher costs in pollution battle” ([Guardian Online](#) Accessed 30.9.14)

As the year drew to a close the Mayor's failed legacy came back to haunt him following a request to give oral evidence to a parliamentary inquiry into London's dangerous levels of pollution. The Mayor initially declined the invitation, writing that "my diary makes it impossible for me to attend before the committee".²¹⁷ It was only when the EAC Chair insisted upon his attendance that the Mayor agreed to give evidence in person. During the session, the Mayor paused for reflection when asked what advice he would give to the next Mayor and said "take the tough decisions early, take the heat, and it will all pay off".²¹⁸ A small acknowledgement perhaps that he was too slow to tackle the problem himself. Unfortunately this will be little comfort for those young Londoners whose will be living with the consequences of London's air pollution well into their old age.

The Energy Revolution that never was

When historians of the future look back at the early 21st century, it is likely they will come to see this era as a time of wasted opportunities for energy policy. We know what the challenges are; the impending capacity crunch, the dominance of the big six, the lack of consumer power, the need to decarbonise supply and generation. There can be no excuses for failing to tackle these problems.

The Mayor's policies have never been lacking in warm words. But they consistently failed to deliver on both substance and speed. Decentralised energy, an important part of London's future energy supply and a policy area backed repeatedly by Labour Members has witnessed only piecemeal progress in the last year. Officers giving evidence to the Environment Committee confirmed this year that the Mayor will miss his 2015 interim targets for decentralised energy production, citing the time it takes to establish commercial projects.²¹⁹ The Mayor's target of generating 25 per cent of London's energy from DE sources by 2025 now looks wildly optimistic.

London cannot wait that long. The Mayor's ambitious targets need to be matched by vigorous levels of activity if a 60% reduction in London's CO₂ by 2025 is likely to be achieved.

Analysis of the Mayor's Budget

The Mayor's core activities in the field of environment are contained within the Development, Enterprise and Environment Directorate ('DEE') and Housing and Land ('H&L'). As the table below demonstrates, both directorates are set to see cuts to their budget. The most significant cuts are in DEE where the budget will fall by nearly 17m from £29.8m in 2014-14 to £12.9m in 2015-16. Further cuts are expected still in 2016-17. The budget for H&L will decline by £4m in 2015-16 and again accompanied by a cuts again in 2016-17.²²⁰

Period	2014-15	2015-16	2016-17
Units	£000	£000	£000
DEE	29,837	12,909	10,258
H&L	25,313	21,309	21,007

²¹⁷ Explanatory Note: The web-link to the Mayor's reply is no longer available.

²¹⁸ "Environmental Audit Committee Oral evidence: Action on air quality" ([Hansard transcript](#) p.15 Accessed 30.9.14)

²¹⁹ [Environment Committee evidence session](#) on 26th March 2014. And reported at [Left Foot Forward](#). (Accessed 4.9.14)

²²⁰ Draft GLA Budget for 2015-16

The table below details the core programme revenue budgets. The RE:FIT and RE:NEW programmes both sit within the H&L directorate.

Programme	2015-16 Expenditure £000	2015-16 Income £000	2015-16 Budget £000	2016-17 Expenditure £000	2016-17 Income £000	2016-17 Budget £000
RE:FIT	1,000	500	500	1,000	500	500
RE:NEW	1,260	1,010	250	250	0	250

The RE:NEW and RE:FIT energy efficiency programmes have been a persistent cause for concern and are highlighted in the Budget and Performance Committee's Pre-Budget Report. Of the 20 core performance indicators, cutting carbon emissions is one of two issues highlighted as being at greatest risk of failure. The report states "performance on the RE:NEW and energy supply programmes will therefore need to start ramping up significantly over the next few years....the GLA's targets are significantly below the targets and milestones in the Mayor's own Climate Change Mitigation and Energy Strategy".²²¹ In its recent review the Environment Committee gave a 4/10 on progress in cutting carbon.²²²

The table below provides further details of programme revenue budgets for the core environment programmes.

Programme	2015-16 Expenditure £000	2015-16 Income £000	2015-16 Budget £000	2016-17 Expenditure £000	2016-17 Income £000	2016-17 Budget £000
Environment Statutory Programme	390	0	390	390	0	390
Environment Non-Statutory Programme	363	0	326	326	0	326
Smart London Demonstrators	1,000	1,000	0	291	291	0
Capital Clean Up	40	0	40	40	0	40
Drain London	534	534	0	0	0	0

There are two growth proposals which are welcomed. These are the creation of a grade eight air quality post and the maintenance of an additional FTE post in the environment team. Both roles are projected to be funded until 2017.

²²¹ [Budget and Performance Committee: Pre Budget Report 2014](#) p.19

²²² ["Mayor could do better on carbon reduction targets"](#) London Assembly Environment Committee 25.7.14 (Accessed 19.12.14)

4.2 London Assembly Labour's Alternative

Tackling the Cold Homes Crisis

The Mayor's domestic insulation programme has failed Londoners and left 276,782 London homes "fuel poor".²²³

Fuel poverty often results in a choice between heating and eating, a decision no Londoner should have to make. At its worst, between 30% and 50% of Excess Winter Deaths can be linked to cold indoor temperatures.²²⁴ In the winter of 2013-14, 1,700 excess winter deaths occurred meaning that between 510 and 850 Londoners died because their homes were simply too cold.²²⁵

London Assembly Labour Members recognise that in addition to the problem of fuel poverty there are much broader challenges of supply which are dealt with later in this chapter. The approach set out is a "whole market" series of proposals, aimed at tackling the strategic challenges the energy industry faces in serving Londoners.

H.E.A.T (Home Energy Advice Team)

The new service would perform five core functions:

1. To provide advice and support to Londoners in or at risk of fuel poverty.
2. To maximise Energy Company Obligation (ECO) and other energy efficiency spending for London. This would complement the current and future work for the planned RE:NEW Support team. This latest phase of RE:NEW focuses on social housing so a scheme that works on a door to door basis rather than individual blocks will help reach the hard to treat homes in London.
3. To maximise uptake of price support mechanisms such as Warm Home Discount across London.
4. To provide a single point of referral for health, housing, social care and third sector partners across the region.
5. To link fuel poverty to other interventions designed to reduce excess winter deaths and hospital admissions across London.

Labour Members would seek to establish a fully staffed service which would have three pillars:

1. A single telephone helpline number
2. A website
3. An outreach team who would attend community events and lead direct engagement with those at risk of fuel poverty.

Between 1993 and 2007, London had five sub-regional energy efficiency advice centres commissioned by the Energy Saving Trust. This was then replaced by a single pan-London organisation. Following the closure of the pan-London service, there is currently a service for England with a small number of local authorities in London operating their own scheme.

²²³ Information compiled by [National Energy Action](#). (Accessed 19.12.14)

²²⁴ The Information from the World Health Organisation was collated by [The Energy Bill Revolution](#). Excess Winter Death figures taken from National Energy Action.

²²⁵ Ibid

H.E.A.T would seek to complement the existing provision in boroughs such as LB Islington's SHINE programme. Established in 2010, the SHINE programme processed 5,400 referrals leading to over 25,000 interventions in the first three years, making it the largest referral network in the country.²²⁶ The network develops lasting relationships with statutory and voluntary agencies that provide services from personal debt assistance, energy saving measures, befriending services and replacement of old heating systems. The scheme has saved residents £550,000 per year alone through energy efficiency interventions,²²⁷ with 60% of clients stating they were not aware of the services they were referred to beforehand.²²⁸ The programme also won the European Prize for Innovation in Public Administration in 2013²²⁹

In addition to incorporating the best elements of SHINE, H.E.A.T would incorporate elements of other campaigns such as the Know Your Rights scheme²³⁰. The knowledge base developed by existing schemes would be used as a foundation for the pan-London programme with partnership local authorities taking a lead role on the ground. It is important to emphasise that this scheme does not seek to replace the existing schemes in boroughs such as Islington but to extend good practice across the capital. Key to this would be a distributed delivery across a range of different organisations. In Islington, SHINE works with 132 teams across 86 different organisations. A multi-agency approach is clearly far more effective in tackling fuel poverty.

Extrapolating from the cost of shine, the new service would cost approximately £1m in 2015-16. The figure is based on the service processing approximately 600 self or third-party referrals a year from each borough, or around 19,000 referrals annually across London. The first year's costing includes training and set up costs so it can be expected to be substantially less in year two.

Research project in to the creation of community energy cooperatives in London

London Assembly Labour believes that radical supply-side measures are necessary to ensure that the stranglehold of the 'big six' energy suppliers is broken. Oligopoly reduces consumer choice and may result in non-competitive and collusive pricing. The dominance of the big six²³¹ may also act as a barrier to market entry by smaller competitors. One of the ways this issue can be addressed is through 'community ownership' of the energy supply²³².

Where the community owns a stake of the energy that is being generated, the benefits are spread across the membership, helping to keep more of the money the energy generates in the local community²³³. Further, co-operative ownership of the energy supply also democratises the process of energy consumption and production, while reducing the opaqueness surrounding pricing under a market dominated by a small number of companies.

There is also considerable direct benefit to communities with opportunities for training and development around the installation and maintenance of the technology, teaching Londoners vital skills for the green jobs of the future. In many cases where community energy schemes

²²⁶ Information from officers at SHINE and the web link - [SHINE \(Seasonal Health Interventions Network\) project](#)

²²⁷ *ibid*

²²⁸ *ibid*

²²⁹ *ibid*

²³⁰ Islington Council [SHINE \(Seasonal Health Interventions Network\)](#)

²³¹ Explanatory Note: The Big Six have a market share of 95%.

²³² 'The Power Book' (2012), Socialist Environment and Resources Association

²³³ Thomas, G.(2012), *The Power Book* (Chapter 6), Socialist Environment and Resources Association, p.44

such as Brixton Energy include retro-fitting insulation, substantial savings can be made on energy bills.²³⁴

In addition to the benefits to communities, collective, locally owned energy generation schemes can help to offset the challenges posed by the need to secure new and sustainable supplies of energy. In the course of the last year, the debate surrounding the need to secure energy supplies for the future and what sources of energy should take precedence have continued to intensify. In June the regulator Ofgem warned that the danger of power shortages by the middle of the decade has increased with spare electricity capacity possibly down to 2% by 2015, making blackouts a possibility.²³⁵ The “Capacity Crunch” of dwindling supplies through the decommissioning of power stations and need to meet increasing demand makes securing new renewable supplies a core priority for 2015. There is also strong public support for reforms to the energy market with consumers identifying energy prices as the biggest threat to the UK economy.²³⁶

With this in mind, London Assembly Labour proposes an action research project in to the establishment of community energy cooperatives in London which we would allocate £500,000 to fund. The study would draw on the experiences of successful energy cooperatives, such as Brixton Energy, to establish what would be required to set up a borough-wide energy cooperative, culminating in a ward-level pilot study.

Addressing the Air Quality Crisis

A comprehensive study on delivering a bigger, stronger, Ultra Low Emission Zone.

Air pollution remains a major public health problem facing London causing over 7,500 premature deaths every year²³⁷. However, by the time the Ultra LEZ is in place in 2020, approximately 90,000 Londoners will have died prematurely since the Mayor took office. London needs action now²³⁸.

This is an issue of equality. There is extensive evidence of a link between areas of high deprivation and pollution with those living in the more deprived areas being exposed to higher concentrations of air pollution.²³⁹

In November 2013, the Department for Health published the Public Health Indicator for the fraction of mortality attributable to human-made dangerous airborne particles PM_{2.5} in 2011. The research which was publicised by the Clean Air in London Campaign noted that PM_{2.5} killed more people in 15 London boroughs in 2011 than 2010 and far more than 10 times the number dying from road traffic accidents²⁴⁰.

In late 2014, TfL opened the consultation on the ULEZ. Having examined the detail of the proposals, Labour Members believe a much bigger and stronger ULEZ is needed.

²³⁴ Milligan, Brian, “Let’s go solar: How communities make energy together” ([BBC News Online](#). Accessed 20/1/14)

²³⁵ “[Ofgem warns danger of power shortages has increased](#)” (BBC NEWS Online Accessed 6.1.14)

²³⁶ “[Voters: Energy prices are Number One Threat](#)” (Accessed 6.1.14)

²³⁷ [Clean Air in London](#). (Accessed 4.12.14)

²³⁸ Explanatory Note: Calculated estimated deaths from 2008-2020 based on 7,500 figure.

²³⁹ [Air Quality in Enfield, A Guide For Public Health Professionals by the Mayor of London June 2013](#). (Accessed 1.10.13) p.14

²⁴⁰ Clean Air in London Website: [Latest National and Local Death Rates for Air Pollution](#) (Accessed 6th January 2014)

London Assembly Labour Members do not feel it is either fair or logical to restrict the new Ultra Low Emission Zone to the area within the inner ring road. The consultation document should have allowed the opportunity for boroughs to opt in to a contiguous zone prior to its launch in 2020. The failure to do so demonstrates the dearth of ambition in tackling this problem which is a theme that has dogged the administration of Boris Johnson. Given the tight restrictions currently being placed on local authority finances it would be wrong to expect the boroughs themselves to fund their membership. The consequence of which would be to allow improved air quality to only benefit those boroughs who can afford it. The right to breathe clean air must extend to all Londoners and TfL should facilitate financially the admission of boroughs to the proposed scheme.²⁴¹

In response the consultation, Labour Members have set out an alternative vision for air quality in the capital:

Ten-Point Plan for Air Quality:

- i. A bigger, stronger ULEZ.
- ii. London Boroughs given the option to join a contiguous zone²⁴²
(Clean Air should be for all Londoners not just those in the very centre)
- iii. A target date set for a total ban on the most polluting vehicles
- iv. More extensive testing to verify Euro 6 is fully effective
- v. Better planning for new charging points for the zero-emission capable taxis
- vi. Future-proofing the licensing regime so that all newly licensed taxis meet the latest Euro standards as they come on stream
- vii. Real accountability and transparency from TfL on progress in retro-fitting the bus fleet and an end to the plethora of misleading press releases that TfL produce on the subject.
- viii. An acceleration of the bus retro-fitting programme
- ix. Any monies not consumed by ULEZ operating costs to be ring-fenced for investment in pollution mitigation schemes
- x. A Clean Air Routes to School Programme

In previous years, London Assembly Labour Members proposed to commission a study of London's air quality, using secondary and field research, which would form the basis for a suite of radical options, which the public would then be consulted on. This year, Labour Members feel that enquiry should be focused on scoping for a bigger and stronger ULEZ. This would re-examine the option of inviting boroughs to form a contiguous zone and the air quality benefits that would arise from this policy. Labour Members would allocate £0.5m for this purpose.

In addition, the Mayor cannot credibly claim to be *"committed to improving air quality across London"* if he is not prepared to ensure that all TfL buses meet the highest emission standards attainable at the earliest opportunity.²⁴³

London Assembly Labour Members believe the Mayor should do more to make the air of London as clean as possible. In the absence of this leadership, Labour Members propose working towards retrofitting all London buses to ensure that they meet Euro VI, by setting up a retrofit fund of **£25m**. We would also go further and ensure that all new buses meet the Euro

²⁴¹ Explanatory Note: The call for a larger contiguous zone was set out in a [motion](#) passed by the London Assembly in July 2014. (Accessed 14.11.14)

²⁴² **EXPLANATORY NOTE:** This would be paid for by TfL not the boroughs themselves.

²⁴³ [MQ2013/3596](#) on 23.10.13 (Accessed 18.12.14)

VII standard once it is introduced (possibly in 2020).²⁴⁴ Further details on this proposal are provided in the transport chapter on p. 93.

Labour Members are mindful that the impact of air pollution can often fall on to the most vulnerable, particularly children. As result, a Clean Air Routes to School Programme is proposed.

There are 1,148 schools in London within 150m of roads carrying 10,000 vehicles a day²⁴⁵. The impact of traffic-related pollution on children's health is truly alarming and has been known about for some time. Now new research is showing that exposure from even the half-hour daily walk to and from school is detrimental. Research lead by Jonathan Grigg, professor of paediatric respiratory and environmental medicine at Queen Mary University, into health of children aged 8-9 years living in east London is observing evidence of reduced smaller lungs related to long term exposure to traffic pollutants consistent with impaired lung growth²⁴⁶.

This research makes it imperative that routes must now be reconfigured to avoid the most congested and therefore polluted main roads. Labour Group therefore suggest a new "Clean Air Routes to School" programme which will work with parents, teachers and pupils to identify the least polluted streets to walk down as well as measures to reduce pollution in the first place. We would allocate £150,000 for two members of staff and associated resources to work with boroughs and schools to utilise existing funding streams, such as the School Travel Accredited and Recognised (STAR) scheme, to develop Clean Routes to Schools. We would also allocate £300,000 to fund 10 pilot projects at some of the worst-affected primary schools in London.

Dealing with Aviation Noise

Re-establishment of the Greater London Authority 'noise team'

Noise disturbance from aviation noise is a growing concern for London's residents.²⁴⁷ The principle producer of noise pollution is Heathrow airport, with 28% of all people in Europe affected by aircraft noise living under the Heathrow flight paths.²⁴⁸ Although aircraft noise from Heathrow was previously contained largely to the west of London, in just over a decade the problem has spread to the south east and east of London affecting residents living up to 20 km away from the airport.²⁴⁹

Residents in these areas, and also to the north of London, are increasingly affected by noise from aircraft arriving and leaving London City Airport.²⁵⁰ In some cases residents have to bear the combined impact of aircraft noise from both airports.

Despite the much higher levels of aircraft noise resulting from activity at Heathrow, the mitigation scheme it offers to residents is less generous than that operated by City Airport –

²⁴⁴ Findadblue, (02.10.13) [Hints of Euro 7 legislation at the IAA AdBlue day symposium](#) Date retrieved: 13.01.14

²⁴⁵ Clean Air in London. "'Clean Air in London' has found 1,148 schools in London within 150 metres of busiest roads." 21 June 2011: <http://cleanair.london/sources/clean-air-in-london-has-found-1148-schools-in-london-within-150-metres-of-busiest-roads/#sthash.jiQBShui.dpuf>

²⁴⁶ European Respiratory Society Annual Congress 2013. Abstract 1985, Publication number P3621. http://erj.ersjournals.com/content/42/Suppl_57/P3621.full.pdf.

²⁴⁷ [HACAN Website](#) (Accessed 20.1.14)

²⁴⁸ 'CAA Report: 28% of people in Europe affected by aircraft noise live under the Heathrow flight paths', HACAN press release, 21 December 2011.

²⁴⁹ [The London Assembly's consultation response to the Government's draft aviation policy framework, 31 October 2012, p.8](#)

²⁵⁰ *ibid*

kicking in at a higher decibel level.²⁵¹ Although the Mayor has supported positive changes to how noise irritation is measured, he has done little to push BAA into providing better noise mitigation measures to those living under the Heathrow flight path.²⁵²

This issue gained additional momentum over the past year with the Davies Commission recommending the establishment of an independent noise regulator.²⁵³

In August 2013 a further dimension was added to the debate on aircraft noise – public health. The British Medical Journal produced a paper stating that there is a clear link between health conditions such as stroke, heart and circulatory disease and aircraft noise.²⁵⁴ The study of 3.6 million people living near Heathrow Airport found that the health risks were 10-20% higher in areas with the most aircraft noise.²⁵⁵ This adds to the urgency of the calls on the Mayor to make tackling aircraft noise a top priority.

To help monitor and develop solutions to aviation noise pollution in London, **Labour Members propose the re-establishment of the Greater London Authority noise team, which operated until Boris Johnson's 2008 election as Mayor.** Amongst others, the noise team's functions would include:

Short-term

- Update the Mayor's noise strategy, which has not been revised since it was published in March 2004;
- Set guidelines for the mitigation measures offered by airports to residents and to seek parity between the schemes offered by airport operators in London.

Medium-term

- We would want this body to become a statutory regulator of aviation noise mitigation schemes in London, with a similar structure to bodies employed elsewhere in Europe²⁵⁶.

Labour Members would set aside £250,000 for this purpose.

²⁵¹ Ibid p.10/11

²⁵² Explanatory Note: As evidenced by the failure of the Mayor to take forward the proposals set out in the Labour Group's budget amendment of last year.

²⁵³ [Airports Commission Interim Report](#), December 2013 p.157 (Accessed 22.12.14)

²⁵⁴ The British Medical Journal Online: "[Aircraft noise and cardiovascular disease near Heathrow airport in London: small area study](#)" (Accessed 21.1.14) and reported at [BBC News Website](#) (Accessed 5.12.13)

²⁵⁵ *ibid*

²⁵⁶ London Assembly Health and Environment Committee (2012), "[The London Assembly's consultation response to the Government's draft aviation policy framework](#)", p.4

5.0 Health

Proposal	Cost (£m)
London Health Board Contribution	0.05
State of London Public Health Report	0.20
Obesity and Diabetes	0.30
Mental Health Strategy for London	0.20
Alcohol Abuse	0.30
London Health Inequalities Unit (LHIU)	0.45
Total	1.50m

5.1 Overview and critique

London has a unique health reality. We have some of the finest hospitals in the world. They provide cutting edge treatment across a wide number of different fields.

London has lower; smoking prevalence, risk of cardiovascular disease and cancer rates than the rest of the country.

Simultaneously, London has higher rates of; low birth weight babies, teenage pregnancy, childhood obesity, HIV, serious mental illness, and suicide²⁵⁷.

London also faces a complicated and diverse set of challenges. Our population is rising at twice the rate of the rest of the UK and will reach 9 million by 2020²⁵⁸. 40% of the population come from 90 different minority ethnic groups who speak hundreds of different languages²⁵⁹.

London is younger than the rest of the country, average age in London is 34, but 16% of London's doctors are over 60²⁶⁰.

The city also has some of the starkest health inequalities in Britain. The difference in life expectancy between some wards across the capital can be as much as 17 years²⁶¹.

Promoting the reduction of health inequalities is the Mayor's statutory responsibility. In this the Mayor has failed. He has only played lip service to the stark inequalities between boroughs, wards and streets. The Mayor has spent no time combating them, believing one strategy document written four years ago would be enough to address such deep seated and multifaceted issues.

Not only is the Mayor required to tackle inequalities, it is economically sensible. Healthier people cost the NHS, local government and social services less. They go to work and generate wealth rather than cost money. A healthy workforce would drive a future London economy.

²⁵⁷ 'General Practice in London' Kings Fund

http://www.kingsfund.org.uk/sites/files/kf/field/field_publication_file/general-practice-in-london-dec12.pdf

²⁵⁸ 'Population growth in London' Evening Standard <http://www.standard.co.uk/news/london/population-growth-in-london-double-the-rate-in-rest-of-uk-8889100.html>

²⁵⁹ London Health Board Annual Report 2014

²⁶⁰ 'Transforming Primary Care in London' NHS England (London) <http://www.england.nhs.uk/london/wp-content/uploads/sites/8/2013/11/Call-Action-ACCESSIBLE.pdf>

²⁶¹ Ward Life Expectancy London Datastore <http://data.london.gov.uk/dataset/life-expectancy-birth-and-age-65-ward/resource/ce0b4dc0-f79d-43b0-887d-856c3a4329e6>

We cannot afford to stand idly by in one of the world's richest and most successful cities, extol its virtues and ignore the huge differences in life expectancy, heart disease, cancer rates, or the burgeoning child obesity and mental health rates.

London is in the midst of an NHS crisis. The Mayors failure to intervene on behalf of Londoners and protect good frontline services has left a gaping hole in emergency cover^{262,263}. The London Ambulance Service is under the greatest pressure of its history and is continually missing its target response times. A&E departments are now in permanent crisis mode, using expansion beds as a matter of course with no extra capacity. Maternity and paediatric wards are going to be closed²⁶⁴ along with further A&E closures-- all this when getting an appointment with a GP is becoming an almost impossible task in London.

We are looking at a health service in serious disrepair and a staff who are exhausted and undervalued. A shameful state in one of the biggest, most complex and most diverse cities in the world during a time when our robustness could be tested by anything from the Ebola virus to a terrorist attack.

The abolition of London's Strategic Health Authority was a retrograde step and an action that an increasing consensus of professionals believes should be reversed.

The Labour Group feels that through a more coordinated and strategically planned health protection and provision we can reduce inequalities and improve care. Together, alongside better coordination with the voluntary sector we believe we can make London a healthier place for all.

We advocate a threefold approach; address London's health structure, target three Public Health priorities (Obesity Alcohol abuse, mental ill health) and improve health inequalities monitoring so as to target policy interventions.

London's Health Structure

We would concentrate on building a more strategic approach to the London health reality. This is not a wasteful restructure but re-organisation of the current structures in order to provide the format to tackle public health crisis and to reduce health inequalities.

As part of the London Health Commission (LHC) report commissioned by the Mayor, Lord Darzi recommended a strong lead on public health throughout London. He saw this in the form of a Health Commissioner²⁶⁵:

"Recommendation 61 – *The Mayor should appoint a London Health Commissioner to champion health in the capital, supported by combining the London region of Public Health England and the GLA health teams; the Mayor should request the Department of Health for the Commissioner to receive a significant budget from Public Health England."*

²⁶² 'Failing A&E swamped' Mail on Sunday <http://www.dailymail.co.uk/news/article-2754858/Failing-A-E-swamped-8-000-patients-axed-casualty-units-road-Inspector-s-damning-report-warns-avoidable-harm-overstretched-hospital.html>

²⁶³ 'Northwick Park Hospital A&E: Ambulance crews to call ahead' BBC News <http://www.bbc.co.uk/news/uk-england-london-30215902>

²⁶⁴ 'Campaigners at Ealing Hospital' Evening Standard <http://www.standard.co.uk/news/health/campaigners-at-ealing-hospital-closing-our-maternity-unit-is-madness-9781589.html>

²⁶⁵ LHC Report <http://www.londonhealthcommission.org.uk/wp-content/uploads/Better-Health-for-London-Interactive-Summary-Report.pdf>

In light of this recommendation, the Labour Group vision is to re-establish a strategic public health authority. We would lobby the Department of Health (DoH) to join two bodies together; Public Health England (London) (PHEL) with the GLA Health Team, to create a pan-London strategic public health organisation as a functional body of the GLA. This body would be chaired by the Mayor and be led by a Health Commissioner or Deputy Mayor for Health.

It would have the responsibility to produce the Mayors *Health Inequalities Strategy* and contain our proposed *London Health Inequalities Unit (LHIU)*. It would also produce our new *Mental Health Strategy* for London and a regular *London Public Health Survey*.

It would work with London Councils on public health initiatives and perform all the current roles of PHEL. It would pool together the very best of voluntary sector and professional expertise to combat emerging public health issues, entrenched inequalities and protect both public health and the NHS.

5.2 Labour Group Alternative

In the mean time we would focus on three key areas of public health: obesity, alcohol abuse and mental health services. These have been identified as emerging public health crises, which if not checked, will cost Londoners in both money and quality of life.

London Health Board

The Labour group is committed to continuing and strengthening the position of the London Health Board. We feel that it should be given statutory responsibility to act as a strategic health coordinator to organise pan-London health provision.

Since the £3Bn top down reorganisation the health service has been going through a wasteful fragmentation. In recent months there has been a move by CCGs to cluster in order to regain the benefits of partnership working and agreements that had been well progressed under the old regime of Primary Care Trusts (PCTs).

The LHB should be given the powers and responsibility to help these organisations through strategic control in much the same way the Strategic Health Authority (SHA) used to operate.

Labour Group would continue to support the LHB with the £50,000 contribution. Consideration of enlarging the contribution would be tied to a change in the statutory position of the board and an increase in its strategic responsibilities.

State of London's Public Health Report

Last year two seminal reports were released. First was the London Health Commission report²⁶⁶, closely followed by the NHS England Five Year forward view²⁶⁷.

Both reports discuss the future of the NHS and how we need to shift delivery from hospitals to prevention and patient focused treatment.

²⁶⁶ Ibid

²⁶⁷ NHS Five Year Forward View <http://www.england.nhs.uk/wp-content/uploads/2014/10/5yfv-web.pdf>

In order to contribute to combating public health issues Labour Group feel an annual, comprehensive report into the current situation of public health in London should be used to better focus GLA and borough level resources and activity.

The Labour Group would set aside £200,000 and ask for partners to contribute. The report would chart public health issues, inequalities and monitor progress towards achieving public health goals.

Obesity and Diabetes

Obesity is a growing epidemic. One in three children in London are overweight, whilst over half of adult Londoners are overweight²⁶⁸.

There is a high cost of failure with the NHS and Local Government. Obesity and obesity related illnesses such as Type-2 diabetes cost the NHS some £12bn nationally²⁶⁹.

The Labour Group would commit to have leadership of the London Obesity Forum given to GLA Health Team, providing leadership and a pan-London approach to encourage individuals to make responsible lifestyle choices, embedding access to physical activity facilities & green space in order to increase activity within planning policies.

We would also encourage the work of the Obesity Forum to focus on early intervention. We support the Food Programmes which has been promised £600,000 from the Economic and Policy Unit; pending the results of its success we would look in future years to expand healthy eating projects across all of London's schools. In addition Forum would also lobby boroughs to enforce stricter planning rules on 'Fast Food' take-away and restaurants to protect children.

Labour Group would deliver £300,000 to help combat obesity through the London Obesity Forum and other programmes.

Mental Health Strategy for London

One in four Londoners will experience some form of mental ill health in the next year, and a third of those will suffer from more than one condition²⁷⁰.

Just as shocking are the estimated costs to the London economy. If you include the treatment costs, benefits to carers, extra costs to the education system, criminal justice system and cost to employers through lost days and lower work output, mental ill health costs London £26 billion each year²⁷¹.

None of this actually understands the true price – the impact on individuals, families and communities who struggle emotionally and physically to live with the consequences of mental ill health. Nor does it explain the shocking inequality and unfairness of who is affected. Issues such as crime, deprivation, housing, working conditions, and lifestyle all have an impact.

The greatest effect is felt by the young. Children's entire lives can be changed significantly by mental illness. They can find themselves in a vicious cycle which often starts with mental illness,

²⁶⁸ GLA Committed to tackling Obesity <https://www.london.gov.uk/priorities/health/focus-issues/obesity>

²⁶⁹ Cost of Diabetes <http://www.diabetes.co.uk/cost-of-diabetes.html>

²⁷⁰ London Mental Health Report <http://www.london.gov.uk/sites/default/files/Mental%20health%20report.pdf>

²⁷¹ 'London Mental Health Report, Mayor of London' <http://www.london.gov.uk/sites/default/files/Mental%20health%20report.pdf>

but leads to crime, anti-social behaviour, self-harm or suicide. At least one in ten children are thought to suffer from some form of mental ill health, translating to 111,000 young Londoners. To compound the problem, rates of mental ill health are far higher in 'looked after children'.

London's varying communities suffer in different ways, and from different manifestations of mental ill health. The stresses and histories of different minority communities are further complicated by individual cultural responses and difficulties in knowing how to access treatment.

The Mayor's own report describes Londoners as having 'stark and unacceptable differences in their well-being'²⁷².

We would produce a *Mental Health Strategy for London*. Labour Group would set aside £200,000 for this project and would seek contributions from both NHS England and London Councils to increase the strategy's scope and ability to respond.

The aim would be to establish what is and is not working in our mental health services, how we are failing people despite the best efforts of professionals and how to address these issues.

We would seek to help coordinate and lobby a pan-London approach to pan-London mental health issues and lobby to make the report a statutory requirement in the same fashion as the *Mayors Inequalities Strategy*.

Alcohol Abuse

Five percent of Londoners are dependent on alcohol, whilst 1,800 people in London die each year from alcohol related illness. The cost of this failure to the NHS and Local Government is at least £1.8bn. Labour would therefore commit to agreeing an alcohol vision for London and mobilising action on alcohol abuse, alongside the boroughs, and other key stakeholders.

Labour would continue to press the Government for the powers to set a minimum unit price of alcohol in London.

The Labour Group would invest £300,000 in delivering a *Mayors Alcohol Abuse Programme*. This would work with professional and voluntary sector partners as well as the boroughs to address the economic and social causes and consequences of alcohol abuse in London.

London Health Inequalities Unit (LHIU)

Despite pledging to develop high level indicators for monitoring progress in reducing health inequalities across London, the Mayor has only just begun to consult on them.

The Labour Group takes health inequalities seriously. We also understand that reducing health inequalities requires policy ideas and impetus across the whole spectrum of intervention. We believe that a focus on early years, education, transport, housing and economy as well as public health and health care provision all play a role. It is for this reason that we feel a dedicated unit within the GLA should be established to take a holistic policy approach.

Working with PHE, Labour Group would commit the GLA to creating a London Health Inequalities Unit (which would become part of any pan-London public health agency).

²⁷² Ibid

The LHIU would develop London specific indicators based on those drawn up through the Mayor's Health Inequalities Strategy, the Marmot Review²⁷³ and the Public Health Outcomes Framework²⁷⁴.

With the intelligence collected and a higher profile the LHIU would begin to set targets and establish policy programmes. Although we would not seek to anticipate the work of this unit, we would expect and encourage early interventions to influence the whole life-courses.

It will seek to reduce health inequalities and increase health opportunities across London. LHIU would work with voluntary sector organisations and London Councils to coordinate action and monitor progress.

Labour Group has set aside £450,000 for this and will encourage contributions from both London Councils and PHEL.

²⁷³ Marmot Review <http://www.instituteofhealthequity.org/projects/fair-society-healthy-lives-the-marmot-review>

²⁷⁴ Public Health Outcomes Framework <http://www.phoutcomes.info/>

6.0 Housing

	Cost (£m)
Increasing supply	
Housing Investment Company	1.00
Housing Revenue Account trading scheme	0.50
Key worker housing	0.00
Framework for overseas investment	0.20
Re-introducing social rent	0.00
Improving property standards in the private rented sector	
PRS Decent Homes Fund	0.15
Environmental health officers	0.80
100 Bad Landlords programme	0.10
Empowering private renters	
New Framework for Renters	0.00
Establishing private tenants groups in each borough	3.20
Rogue landlords register	0.15
Commission on Private Renting	0.10
Tackling housing poverty	
Reducing overcrowding	0.05
Housing Access Scheme	0.52
Total	6.77

6.1 Critique of the Mayor's performance over the past year

With his penultimate Budget tabled, there can be no doubt that Boris Johnson's chief legacy for London will be a housing crisis that is worse in every respect than when he took office in 2008. On every level – supply, affordable housing, property standards and inequality – the picture with housing has dramatically deteriorated under Boris Johnson's mayoralty. At best, Boris Johnson's mayoralty has done little to address this crisis; at worst, it has exacerbated it by presiding over a prolonged period of insufficient supply, reforming affordable housing so that it is unaffordable even to Londoners on modest incomes, and failing to deliver the reforms needed to protect tenants in London's private rented sector.

Housing supply: The primary challenge facing all levels of government in London must be increasing the supply of new homes. Figures from the Department for Communities and Local Government show that, in the six years since his election in 2008, housing completions have not once exceeded the number delivered the year he was elected, and have in fact declined since 2011/12. In each of his six years in office, the Mayor has not once met the housing target outlined in the London Plan.

Year	Completions	London Plan Target
2008/09	20450	30000
2009/10	20370	30000
2010/11	15450	30000
2011/12	20130	32210

2012/13	18380	32210
2013/14	17720	32210

Table 4: Total housing completions, London

Affordable Housing: Like his failures on housing supply, the Mayor will leave office having failed to deliver both of his affordable housing programmes to deadline.

The Mayor postponed by a year the date by which the 50,000 affordable homes commissioned as part of the 2008/11 National Affordable Homes Programme would be completed.²⁷⁵ The Mayor will now miss the deadline for building the 55,000 affordable homes promised as part of the 2011/15 funding round programmes.²⁷⁶ While the mayoralty now claims the deadline for achieving this deadline is December rather than March 2015, the Mayor, his Deputy Mayor and GLA officers have on several occasions noted that the deadline was clearly 31 March 2015. In December 2012, the Mayor responded to a written question that *"I have pledged to deliver 55,000 affordable homes between April 2011 and March 2015..."*²⁷⁷, while in November 2013 the Deputy Mayor for Housing and Land clearly stated that *"ultimately, the completions will run until March 2015"*.²⁷⁸

As of the end of November 2014 there had been 36,591 affordable homes have completed since April 2011, leaving a total of 18,409 homes need to be completed in the five months to 31 March 2015.²⁷⁹ While the programme is heavily back-loaded, with a substantial proportion of homes due for completion in the final month of the programme²⁸⁰, achieving the remaining completions will be challenging and the Mayor is already forecasting that 851 homes will complete after the March 2015 deadline.

While failing to deliver the affordable housing programmes to deadline, the Mayor has also introduced reforms that make affordable housing less affordable to low-income Londoners. By imposing the Affordable Rent tenure on the London boroughs – 'affordable' housing charged at *up to 80%* of market rent – in some inner-London boroughs, households could require an income in excess of £100,000 per year in order to afford the rent on a family-sized affordable home.²⁸¹

These reforms are now deterring Housing Associations from building affordable housing with mayoral grant during the next funding round, which runs from 2015 to 2018. One Housing Association Chief Executive said they had reduced the number of homes they want to build with mayoral funds by a third because of the Affordable Rent model introduced by Boris Johnson, noting that *"we are concerned because many of the boroughs nominate traditional social housing tenants who cannot afford the higher rents"*.²⁸² Another claimed that Affordable Rent had created *"tenancies that are doomed to fail"*.²⁸³

²⁷⁵ 'Mayor admits homes goal will be missed', Inside Housing, 2 December 2009

²⁷⁶ 'Boris Johnson forced to admit affordable housing target faces delay', Evening Standard, 23 October 2014

²⁷⁷ 'Affordable Homes Programme (1)', Mayor's Question Time, Wednesday, 19 December 2012, Question 2012/3859

²⁷⁸ London Assembly Housing Committee, November 2013

²⁷⁹ GLA Affordable Housing Statistics

²⁸⁰ David Lunts, London Assembly Budget and Performance Committee, 20 November 2014

²⁸¹ 'Joint Response to the London Plan Revised Early Minor Alterations', London Borough of Brent, London Borough of Camden, London Borough of Enfield, London Borough of Hackney, London Borough of Islington, London Borough of Southwark, London Borough of Tower Hamlets, Royal Borough of Kensington & Chelsea and Westminster City Council, 31 July 2012, p.10

²⁸² 'Boris seeks affordable homes bids as appetite shrinks', Inside Housing, 2 May 2014

²⁸³ 'Boris seeks affordable homes bids as appetite shrinks', Inside Housing, 2 May 2014

An unaffordable city: As a result of insufficient supply, rising population and demand from overseas investors, the cost of housing in the capital has soared. In the year to July 2014, house prices in the city increased by an average of 19.1 per cent, bringing the cost of the average London home to over half-a-million pounds (£514,000) for the first time.²⁸⁴ With nominal prices falling slightly to £508,000 in September 2014, the average London home has increased in value by £156,506 in nominal terms since 2008 (£86,469 in real terms).²⁸⁵

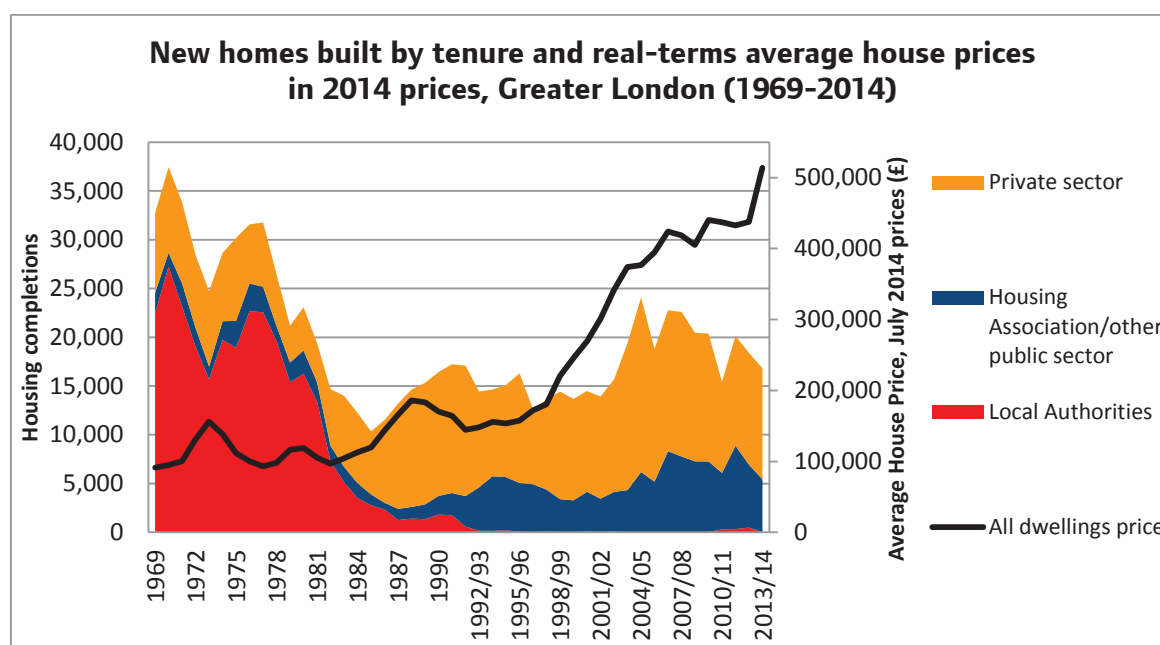


Figure 1: New homes built by tenure and real-terms average house prices in 2014 prices, Greater London (1969-2014)²⁸⁶

Similar inflation rates have been felt by private renters. Valuation Office Agency data shows that private sector rents increased by 21 per cent between June 2011 and June 2014, to £1,300 a month.²⁸⁷ The increasing cost of renting is placing huge strains on household finances in London, with 39 per cent of private rented tenants now living in poverty, a larger share of people than in the social or owner-occupied tenures.²⁸⁸ Increasing rents are also preventing renters from saving a deposit; making homeownership an ever more distant prospect for renters.

The effects of high housing costs are not just felt by individuals; they threaten to undermine London's economic competitiveness and public services as more people on low and medium-incomes are increasingly deterred or prevented from living and working here. The most recent CBI and KPMG survey found that 14 per cent of London businesses now view the cost of housing as London's biggest weakness as a place to do business – the second largest weakness.²⁸⁹ Furthermore, in November 2014 the head of the London Ambulance Service said that the organisation now struggles to retain and recruit staff who can no longer afford to live near their place of work.²⁹⁰

²⁸⁴ ONS House Price Index

²⁸⁵ ONS House Price Index

²⁸⁶ Greater London Authority and Office for National Statistics

²⁸⁷ Valuation Office Agency

²⁸⁸ London's Poverty Profile 2013, p.7

²⁸⁹ 'London business survey, December 2014', CBI/KPMG, December 2014, p.5

²⁹⁰ Correspondence between Ann Radmore, Chief Executive of the London Ambulance Service, and Dr Onkar Sahota AM, dated 12 November 2014

Standards in the private rented sector: Despite the rising cost of private renting, standards in the sector remain dire for many tenants. One-third of London's privately rented homes – more than 250,000 – fall below the Decent Homes standard used in the social rented sector, the largest proportion of any tenure in London.²⁹¹ Furthermore, as the Centre for London reports, nearly half of private rented homes fail the most basic of health and safety tests, with 356,000 private rented homes reported as having Housing Health and Safety Rating System Category 1 hazards in 2011/12.²⁹²

Rogue landlord practices have also become more commonplace under Boris Johnson. The Assembly's 2013 report on the private rented sector highlighted figures from Shelter, which showed a 47 per cent increase in private sector tenant complaints in London since 2008.²⁹³ At the same time, Citizens Advice records that in the year to April 2012 its London bureaux dealt with 18,539 enquiries about the 'private rented sector' (issues such as disrepair; possession actions; security of tenure; harassment; problems with letting agents; and deposits).²⁹⁴

Despite this, the Mayor has continued to pursue a voluntary approach to regulation of the private rented sector. In May 2014 the Mayor launched the London Rental Standard, a programme that he has described as "voluntary self-regulation"²⁹⁵ – regulation designed by landlords and letting agents which, ultimately, they can decide not to abide by. Labour Members believe tenants deserve greater statutory protections, which the Mayor opposes, rather than a system based on the goodwill of landlords. Recent examples, such as the New Era estate, highlight how flawed the current system is and how wrong the Mayor is to believe that current regulations are "broadly sufficient".²⁹⁶

Yet, even on the Mayor's own terms he is failing. Boris Johnson's 2012 manifesto pledged that 100,000 of London's estimated 300,000 private sector landlords would be signed up to the London Rental Standard by May 2016.²⁹⁷ However, the number of landlords signed up to an accreditation scheme covered by the London Rental Standard has increased by just 2,892 since the 2012 Mayoral election – from 10,607 in May 2012 to 13,499 according to the most recent figures.²⁹⁸

Inequality: The increasing cost of housing has led to a growing inequality in the capital, with significant increases being registered in homelessness, the use of temporary accommodation and overcrowding, while Londoners have also been disproportionately affected by the cuts to the social security system.

Despite the Mayor's pledge in 2008 to end rough sleeping in the capital by the time of the 2012 London Olympics, the number of people sleeping rough on London's streets has increased each and every year since his election in 2008, with a particularly stark jump from 2010.

While the Mayor has made positive steps on rough sleeping through the launch of the No Second Night Out programme, we are concerned that there is now a lack of impetus behind the

²⁹¹ 'Stressed: A review of London's private rented sector', Centre for London, August 2013, p.50

²⁹² 'Stressed: A review of London's private rented sector', Centre for London, August 2013, p.12

²⁹³ 'Rent reform: Making London's private rented sector fit for purpose', London Assembly Housing and Regeneration Committee, June 2013, p.23

²⁹⁴ 'Rent reform: Making London's private rented sector fit for purpose', London Assembly Housing and Regeneration Committee, June 2013, p.23

²⁹⁵ 'The Mayor's Housing Covenant: Making the private rented sector work for Londoners', Greater London Authority, December 2012, p.24

²⁹⁶ 'Private rented sector (10)', Mayor's Question Time, Wednesday, 11 June 2014, Question 2014/1952

²⁹⁷ 'Taking Greater London Forward', Boris Johnson 2012 Manifesto, 2012, p.11

²⁹⁸ 'The London Rental Standard: How Is It Helping Tenants?', Londonist, 30 November 2014

Mayor's efforts, particularly given the lack of a clear target for ending rough sleeping. It is also evident that there are problems in finding onward accommodation for people in homelessness services, particularly following cuts to the Single Room Rate, and because welfare reform has deterred private landlords from letting to recipients of Local Housing Allowance. This has meant that Individuals who are now ready for independent living are stuck in supported accommodation services, which is expensive and no longer appropriate, while those who do need these services are unable to access them because they are full.

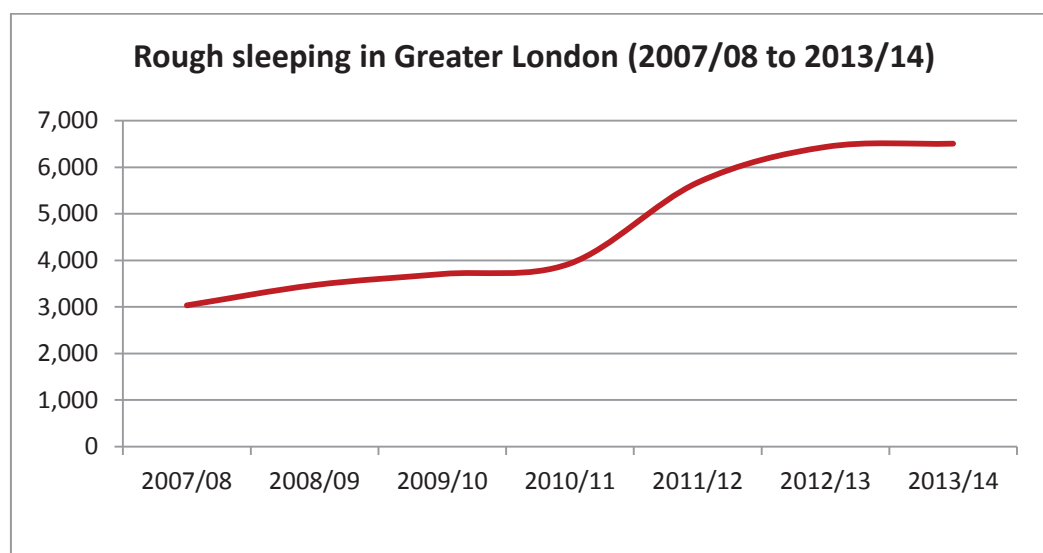


Figure 2: Rough sleeping in Greater London²⁹⁹

6.2 Analysis of the Mayor's Budget

The Mayor's Draft Budget highlights that the GLA Housing and Land directorate's budget will decline by £4 million in 2015/16, with another small fall in budget planned for the following year (see table 2).

	2014/15	2015/16	2016/17
	£000	£000	£000
Housing and Land	25,313	21,309	21,007

Table 5: Directorate revenue expenditure

Despite this, the key revenue programmes will maintain the same levels of funding in 2015/16 and 2016/17.

	2015-16 Expenditure £000	2015-16 Income £000	2015-16 Budget £000	2016-17 Expenditure £000	2016-17 Income £000	2016-17 Budget £000
Rough Sleeping	8450	0	8450	8450	0	8450
Care and support housing	40	-40	0	40	-40	0
RE:FIT	1000	-500	500	1000	-500	500
RE:NEW	1260	-1010	250	250	0	250
Seaside and Country Homes	175	-175	0	175	-175	0

Table 6: Programme Revenue Budgets

²⁹⁹ Combined Homelessness and Information Network (CHAIN), annual Street to Home Reports (various data sets)

Most notable among the Mayor's capital spending plans is the lack of Decent Homes funding from 2016/17, which follows the one-year agreement as part of the recent Spending Review. The Mayor has also decided to roll all GLA affordable housing building budgets – including the formerly separate Affordable Homes Programme, National Affordable Homes Programme and Empty Homes – into a single budget stream, the Mayor's Housing Covenant. Labour Members are concerned that this will make it more difficult to monitor outcomes and the progress made towards delivering on housing objectives.

	2015-16	2016-17	Total
	£m	£m	£m
Land and Property	10.629	48.435	59.064
Decent Homes	145.000	0.000	145.000
Mayor's Housing Covenant	240.148	390.999	631.147
Care and Support Programme	10.475	10.199	20.674
London Housing Bank	100.000	100.000	200.000
Housing Zones (MHC)	20.000	90.000	110.000
Housing Zones (DCLG)	20.000	90.000	110.000
Homelessness Change and Platform for Life	15.500	15.000	30.500
Custom Build	4.200	0.000	4.200

Table 7: Capital Spending Plans

We also note additional funding streams for programmes announced over the course of the past year, including the Care and Support Programme, Housing Zones and the London Housing Bank. With regards to Housing Zones and the London Housing Bank, these two programmes are funded by £400 million of loans from DCLG, which the GLA intends to, in turn, loan to developers and registered providers to finance new house building.

We share the view of the Budget and Performance Committee in its Pre-Budget Report, that these new programmes create both new opportunities and new risks for the GLA. The report highlights that:

"The GLA is aware of the risks, and is taking steps to manage them. It has set-up a joint review with DCLG to consider the risks, and the skills and capacity issues that may arise if it is to manage these loans.³⁰⁰ The main risk – that the organisations the GLA lends to do not meet their repayment obligations – will be mitigated by lending only to bodies with strong credit ratings, such as social landlords. But these bodies still face a challenging financial environment, not least an increasing reliance on private sector borrowing, market sales to cross-subsidise affordable housing programmes and reduced grants from the public sector. It remains to be seen how effectively the GLA will manage these risks..."³⁰¹

6.3 Labour's housing alternative

Boris Johnson describes London's housing costs as "the right problem to have".³⁰² Labour Members believe the high cost and poor quality of housing in the capital is the biggest crisis facing the city and the biggest risk to its future social and economic success.

³⁰⁰ *ibid*, paragraph 4.3.

³⁰¹ 'Pre-Budget Report', London Assembly Budget and Performance Committee, December 2014, p.28

³⁰² 'Johnson Says London Property Prices Are Desirable Problem', Bloomberg, 16 June 2014

House prices are high in London because demand for housing far outstrips supply. Fundamentally, London's housing crisis cannot therefore be alleviated without dramatically expanding housing supply. To tackle the housing shortage, Labour Members would lay the ground for a more effective and equitable housing operation at City Hall. We would accelerate supply by establish a **Housing Investment Company** to directly intervene in the market, establish a scheme to facilitate London boroughs to pool and transfer **Housing Revenue Account** headroom and by investing in pilots of new **fast-build housing** projects. We would also change planning regulations and programmes to re-establish new build programmes for **key workers** who keep the city running but are being priced out of London. We would develop a **New Framework on Overseas Investment** to establish a system through which overseas investment can be channelled more equitably into London's property market.

For private tenants, we would drive up physical property standards by investing in **extra enforcement officers** to allow boroughs to uphold standards in the sector and a new **PRS Decent Homes Fund** to help those private landlords struggling to fund improvements to their properties. We also set out a programme to tackle London's **100 worst landlords**, using CPO powers to drive landlords out of business in London. We would also address the current imbalance of power between landlords and tenants by establishing:

- **Private tenant groups** in every borough to enforce tenant rights,
- A **New Framework for Renters** in London's private rented sector (including through the introduction of a new industry ombudsman), and
- A **register of bad landlords**, similar to that operating in New York, so prospective tenants have more information on how their potential landlord

To address overcrowding in London, we would regularly convene the **London Overcrowding Board** and we would also introduce a specific planning **target for four-bedroom homes** in order to ensure larger family-sized affordable housing actually gets built.

We would also establish a revised target to end rough sleeping in London by 2020 and a new framework that builds on the successes of No Second Night Out in order to achieve this. Immediately in 2015/16 we would establish a **Housing Access Scheme** for former rough sleepers. This would be a system where the GLA (a) guarantees rental payments when former rough sleepers access privately rented accommodation and (b) works with Housing Associations to establish a pool of social rented properties for onward housing options when former rough sleepers leave supported accommodation.

a) Increasing supply

Housing Investment Company

In 2015/16 Labour Members would invest up to **£1 million** to establish a new Housing Investment Company (HIC), through which we would rapidly drive forward housing supply in London by:

- Directly commissioning new homes without the intention and necessity for the GLA to act as a profit making organisation,
- Intervening in the market to supplement the insufficient number of housing units provided by the private sector in the capital,
- Focusing particularly on stalled sites,

- Building housing of all tenures in order to protect and strengthen mixed communities across London, with all profits re-invested in building new homes, and
- Working constructively with developers by commissioning them to deliver housing on behalf of the HIC and having a specific intention to increase the number of operators in the housing market by promoting small builders.

We anticipate the IHC being funded through a range of funding mechanisms including (a) borrow against a GLA revenue stream (in accordance with the prudential borrowing code), (b) a new city wealth fund and (c) working constructively with overseas investors.

Housing Revenue Account

The UK has never built enough homes to meet housing need without the intervention of local government. While the reforms to the Housing Revenue Account that were initiated under the previous government have helped to get councils building again, the arbitrary caps on HRA borrowing (which are opposed by councils of all political colours) have constrained the London Boroughs' ability to maximise the amount of housing that can be delivered with their resources.

To address this problem, Labour Members would seek to make available to boroughs a London-wide HRA Headroom Trading System to help redistribute borrowing capacity and to maximise housing delivery. We envisage this requiring an investment of **£0.2 million** in the financial year 2015/16 in research, policy development and borough engagement, while the financial framework needed to facilitate such a project would require an investment of **£0.3 million**.

Key worker housing

Following his election in 2008 the Mayor amended London's planning and housing policies to remove any specific requirement for key worker affordable housing.³⁰³ Six years later, with housing costs having increased rapidly in that time, there is a desperate need to preserve and add to the London's stock of key worker accommodation. Many key public services are now reporting that employers are leaving these services because they can no longer live close enough to their work. In November 2014, the Chief Executive of the London Ambulance Service commented that, among other reasons, frontline staff are leaving "the Service because of... the high cost of living in London".³⁰⁴

In the financial year 2015/16, at **nil additional cost** to the GLA we would seek to revise planning policy to reintroduce a planning requirement for new key worker housing. Given that £870 million of funding from the 2015/18 Spending Round has been reserved by the GLA for continuous engagement, we believe a proportion of this funding should be allocated to the provision of key worker accommodation.

Re-introducing social rent

The Mayor's decision to force the London boroughs into allowing Affordable Rent properties to be charged at up to the maximum 80 per cent of market rent has made the lowest cost housing in this city unaffordable to people on low incomes. It has also been counterproductive in that it is now deterring many Housing Associations from accepted mayoral funding to build affordable housing. At **nil financial cost** in 2015/16, we would amend planning regulations in order to

³⁰³ 'The London Housing Strategy: Draft for public consultation', Greater London Authority, May 2009, p.32

³⁰⁴ Correspondence between Ann Radmore, Chief Executive of the London Ambulance Service, and Dr Onkar Sahota AM, dated 12 November 2014

allow boroughs to demand in their Local Plans that affordable housing must be charged at social rented levels.

Overseas investors

Knight Frank estimates that, over the 12 months to June 2013, 49 per cent of all new build purchases in 'prime' central London were made by investors living outside the United Kingdom.³⁰⁵ This compared to 20 per cent in the wider inner-London area and 7 per cent in outer-London.³⁰⁶ These figures for new build purchases compare to the 28 per cent of all 'prime' central London sales (new build and existing properties) bought by non-resident investors.³⁰⁷ According to Savills, £7 billion of international money was spent on high-end London homes last year, with only 20 per cent of prime property purchases being from the UK.³⁰⁸

While overseas demand is particularly strong in 'prime' central London, this demand is likely to be fuelling price inflation across Greater London through a spill-over effect. Prof Ramadorai of the Oxford University Saïd Business School said, "If the top end of the market is affected it pulls the rest of the market along with it. Everyone's price expectations change."³⁰⁹

While acknowledging that overseas investment has placed upward pressure on house prices in London,³¹⁰ the Mayor supports overseas investment, which he believes is essential to getting homes built in the capital. In March 2014, the Mayor launched a 'concordat' on overseas investment, which committed the developers that signed up to it "to market and sell London homes to Londoners first".³¹¹ However, high profile cases have highlighted that some signatories appear to be ignoring the commitment by reserving parts of development for overseas sale,³¹² while the Mayor has also said that compliance is not monitored and "based on goodwill".³¹³

Overseas investment is therefore currently placing additional pressure on London's housing market and contributing to price rises that are forcing many residents out of the city. In 2015/16, Labour Members would establish a financial mechanism that allows overseas investors to keep investing in London property, but channels this £7 billion investment to better effect for Londoners. This would particularly seek to upstream this investment, by diverting it into the development process (including through a new Housing Investment Company) to expand supply, rather than in property ownership which has led to an increase in demand. We would invest **£0.2 million** in this project in the financial year 2015/16.

Please see overleaf...

³⁰⁵ 'International Buyers in London', Knight Frank, October 2013, p.2

³⁰⁶ 'International Buyers in London', Knight Frank, October 2013, p.2

³⁰⁷ 'International Buyers in London', Knight Frank, October 2013, p.2

³⁰⁸ 'London prime rental market faces saturation as developers rush in', Financial Times, 10 November 2013

³⁰⁹ 'Prime London property rises with world's political turmoil', Financial Times, 13 January 2014

³¹⁰ 'Homes for London: London Housing Strategy', Greater London Authority, consultation document for London Assembly, March 2014, p.9

³¹¹ 'Mayor tells developers at MIPIM 'Sign new deal to sell homes to Londoners first'', Greater London Authority, 11 March 2014

³¹² 'Sting buys a flat at Battersea Power Station development', Evening Standard, 30 October 2014

³¹³ 'Developer Concordat', Mayor's Question Time, 22 October 2014, Question No: 2014/3861

b) Improving property standards in the private rented sector

PRS Decent Homes Fund

London's private rented sector is the worst tenure for physical standards of any tenure, with over 250,000 privately rented homes falling to meet the Decent Homes Standard used in the social sector. To address this problem, in the financial year 2015/16, Labour Members would bring forward proposals for a 'PRS Decent Homes Fund' – a source of low cost loans for landlords that enables them to bring their properties up to a decent standard.

This strategy would finalise policy details, giving particular consideration to the incentives needed to attract landlords into the scheme. It would also assess what finance can be generated into the fund from the GLA as well as from sources such as, private finance and central government funding. The strategy would also highlight how the fund would link with RE:NEW and whether additional finance could be attracted from the carbon reduction and insulation programmes operated by utility companies.

The ambition would be to modernise at least 25,000 private rented homes each year – 10 per cent of the homes that currently fail to meet the Decent Homes Standard. In 2012/13 the average level of funding per social rented property treated through the Decent Homes standard was £13,000.³¹⁴ This means that they should now be:³¹⁵

- Free of health and safety hazards
- In a reasonable state of repair
- Have reasonably modern kitchens, bathrooms and boilers
- Reasonably insulated

It is reasonable to assume that the cost of bringing private rented homes up to the Decent Homes standard would be roughly the same as for social housing. This would therefore require a future annual fund of around £325 million per annum that would be entirely re-paid by landlords at a rate of interest in line with inflation. It would therefore incur no long-term net cost. This strategy would be prepared by staff already employed at the GLA, incurring **nil additional cost** in the financial year 2015/16.

100 Bad Landlord

Over the course of 2015/16, Labour Members would take forward a programme to aggressively tackle the worst landlords in Greater London. Working with local authorities, we would prepare a four year programme to drive the one-hundred worst landlords out of business. Using the GLA and London boroughs' Compulsory Purchase Order (CPO) powers, we would work with London's local authorities and Housing Associations to remove the worst rogue landlords from the market by implementing Management Orders, before transferring the properties to a provider of affordable housing.

In 2015/16, this programme would be developed by GLA officers in collaboration with the relevant partners, with Labour Members allocating an additional **£0.1 million** for extra officers.

³¹⁴ Decent Homes, Question No: 2013/4119, Tom Copley

³¹⁵ 'Decent homes: refurbishing social housing', www.gov.uk

Environmental health officers

The lack of resources available to many London boroughs to enforce the current regulations of the private rented sector is a significant problem. In 2013, the Assembly's Housing and Regeneration Committee noted that local authority "budget restrictions... are making enforcement action against landlords renting sub-standard property more problematic".³¹⁶ A 2011 study by Brent Private Tenants Group found that in some boroughs, such as Bexley, there were as few as four environmental health officers working on enforcing standards in the private rented sector. Similarly, in Barnet there was one environmental health officer for every 4,667 properties.³¹⁷

To help enforce standards in the rented sector, we would create a scheme for funding more environmental health officers across London. In the financial year 2015/16, we would invest **£1.65 million** in this programme, the equivalent of funding an additional officer per London borough plus the City of London. We would invite the boroughs to submit funding proposals for innovative schemes for enforcing standards.

c) Empowering private renters

Any serious attempt to tackle rogue practices by private landlords and push up standards for tenants has to correct the imbalance of power that exists between tenant and landlord (particularly addressing the legitimate fears tenants have of being evicted by their landlord if they register a complaint³¹⁸) and confronting the cuts to enforcement teams in many London boroughs since the 2010 general election.³¹⁹

Commission on Private Renting

Recent high profile examples such as the dispute over the New Era estate have highlighted the degree to which the current regulations governing the private rented sector entirely fail to provide the security that many private tenants require, particularly the increasing number of families that privately rent. The Mayor has championed the rapid growth of London's private rented sector over the past decade. But, if the private rented sector is to be a more common tenure for London families, it needs to provide the security that these households require.

In 2015/16, Labour Members would allocate **£0.1 million** to launch a commission into the private rented sector. This would bring together tenants, landlords, policy makers, academics and other interested parties to examine the regulations governing London's private rented sector and to establish whether London's divergence from the rest of the United Kingdom requires more powers over this sector to be devolved and the policy reforms required.

Private tenants' rights groups

Empower private tenants by making funding available to establish private tenants' representative groups in each London borough. There are currently a handful of such groups across London, but only two of these can be said to be firmly established.

³¹⁶ 'Rent reform: Making London's private rented sector fit for purpose', London Assembly Housing and Regeneration Committee, June 2013, p.24

³¹⁷ Information provided by 'Brent Private Tenants Group'

³¹⁸ 'Rent reform: Making London's private rented sector fit for purpose', London Assembly Housing and Regeneration Committee, June 2013, p.28

³¹⁹ 'Rent reform: Making London's private rented sector fit for purpose', London Assembly Housing and Regeneration Committee, June 2013, p.27

Following discussions with private tenants' groups, it is clear that the two major costs of such groups are staff salaries (both Brent Private Tenants Group and the Camden Federation of Private Tenants currently employ two members of staff) and office rental. Labour Members therefore propose making available funding to establish private tenants' groups in each of the 32 London boroughs. We propose to achieve this by working in partnership with boroughs, striking an agreement whereby if the local authority makes office space available for a private tenants' group, the Greater London Authority would meet the cost of two members of staff. From discussions with private tenants' groups, we believe this would cost £50,000 per member of staff, therefore requiring an investment of **£3.2 million** in the financial year 2015/16.

Rogue Landlords Register

As well as helping tenants enforce their rights, Labour Members believe that prospective tenants should have easy access to information on the past performance of their landlords before they enter into a tenancy agreement.

In 2015/16, we would work with third sector community groups to establish a register of London's rogue landlords – private landlords that have successfully been prosecuted for breaching housing regulations. This publicly accessible, and widely publicised, online register would mirror a similar scheme established by the now Mayor of New, to provide tenants with the information they need to avoid rogue landlords and to force them out of the market.

From discussions with third sector partners, we believe this would require an investment of **£0.15 million** in the financial year 2015/16 in order to employ three community organisers to deliver on this commitment.

d) Tackling housing poverty

Reducing overcrowding

For a number of reasons, the Mayor's response to overcrowding has been ineffective or lacking impetus:

- The 2011 census found that more than 1 in 10 London households (11.3 per cent, or 379,990) are overcrowded, the highest figure across the English regions and Wales.³²⁰ Furthermore, of all local authorities in England and Wales, the top five for overcrowding were all in Greater London.
- Between 2001 and 2011, the rate of overcrowding in London's private rented sector grew most rapidly, from 29.4 per cent to 36.7 per cent, making it now the most overcrowded housing tenure in London.³²¹ Despite this, the Mayor's policies only seek to address severe overcrowding in the social rented sector, meaning that there are no policies to address the tenure where overcrowding is the most serious.
- While the London Overcrowding Board met three times in 2012, it only met once in 2013 and has not met at all so far in 2014.
- The Mayor has continually refused to introduce a specific target for four-bedroom family-sized affordable housing. The Mayor's planning and housing policies currently define family-sized housing as containing 3-bedrooms or more, which does very little to incentivise the delivery of homes with four or more bedrooms. This is despite the most

³²⁰ Office for National Statistics

³²¹ GLA analysis of 2011 Census

recent Strategic Housing Market Assessment finding a need for 17 per cent of all social/affordable rented properties in London to have four or more bedrooms.

In 2015/16 Labour Members would take action to tackle overcrowding in London by introducing reconvening the London Overcrowding Board to develop policies for addressing overcrowding in London's private rented sector. To deliver this, we would allow **£0.05 million** to fund secretariat support for the Board. We would also introduce at **nil additional cost** a planning target for four-bedroom affordable housing.

Rough sleeping

Despite the pledge to end rough sleeping in London by the 2012 Olympics, rough sleeping has risen in this city each and every year under Boris Johnson's mayoralty. While we support the No Second Night Out scheme, it is clear that this in itself is insufficient to tackling the problem.

A particular problem being reported by homelessness charities is the unavailability of onward accommodation in the private rented sector due to high rental costs, cuts to Local Housing Allowance (LHA) and the reluctance of private landlords to let to LHA recipients. This has resulted in individuals who are ready for independent living becoming stuck in supported accommodation, while those who do need the accommodation are unable to access these services.

To address this problem, we would firstly work with Housing Associations to establish a pool of social rented housing for people leaving supported accommodation services. This would require **nil additional investment** in 2015/16. In addition to this, we would work to establish a PRS Access Scheme to underwrite the rental payments of former rough sleepers in privately rented accommodation to allay private landlords' concerns regarding the certainty of rent payments. In both instances we would work closely with homelessness charities to derive the correct incentives and responsibilities that would be a condition for people entering the scheme and to ensure that the appropriate support continues to be available for clients.

In 2015/16, we would initially make the scheme available to up to 500 former rough sleepers. With Valuation Office Agency data showing that average monthly cost of a room in London is now £520, and with standard tenancies allowing for a two-month notice period, this would require an available budget of **£0.52 million** in the financial year 2015/16. Given that this scheme is only underwriting the cost of rent, we therefore envisage the available budget being significantly under-allocated over the year.

7.0 Planning

Proposal	Cost (£m)
Viability Assessment training	0.05
Skyline Panel	0.05
Localism Network	0.1
Clean Air Routes to School	0.45
Off-site Construction	
Factory with apprenticeship programme	0.05
Off-site construction pilot project	2.8
Total	3.5

7.1 Critique of Mayor's approach

The Mayor is not using his planning powers to provide the homes needed to address the housing crisis. In his consideration of strategic planning applications, he is keen to maximise numbers but gives little regard to the affordability of the homes or whether they will simply be sold off on the international market. His draft further alterations to the London Plan also fail to address the affordability issue, and even his overall annualised target for homes approved falls short of the need identified by his own evidence base.

The Mayor's budget for the first time in recent years outlines spending within the Planning unit by Programme Area³²². Whilst this is a welcome step forward for transparency there remain questions about the justification for the figures. It is unclear, for example, if the £350,000 allocated for the London Plan programme takes into account new work streams which are being created by proposed Government reforms to the planning system, such as the need to justify access standards with a thorough evidence base³²³. The Mayor's budget should therefore stipulate the reasoning behind these figures.

We also note that the largest planning spend is £1,255,000 to set up the Old Oak and Park Royal Development Corporation (OPDC)³²⁴. This will primarily pay for the staff, consultancy, and legal costs to establish the MDC, but there is huge uncertainty about the other costs needed to get the development going, such as up-front infrastructure and Compulsory Purchase Orders (CPO). The Mayor needs to do more work to ascertain these initial costs and how they will be paid for.

7.2 London Assembly Labour's Alternative

Viability assessment – Train GLA and local authority officers with the skills to properly review viability assessments to ensure adequate provision of affordable housing and other planning gain

Granting planning permission uplifts site value, and therefore the planning system has an in-built mechanism to return a portion of that value to the common good. Planning obligations, secured via Section 106 agreements, are an important way to ensure that developers provide or contribute to the needs of the community in which they want to build. Since 1990, Section 106 agreements have secured social and traditional infrastructure such as schools, transport, and

³²² Draft GLA budget for 2015-16. Appendix 2.

³²³ DCLG. Housing Standards Review: technical consultation. Paragraph 6.

³²⁴ Draft GLA budget for 2015-16. Appendix 2.

affordable housing. In England and Wales, around 60% of all affordable housing results from Section 106 agreements.³²⁵

Agreements are decided through negotiations between developers and the local council. Whilst most local authorities attempt to secure the best possible deal for their communities, national guidance makes clear that they must be flexible in their requirements and that “the combined total impact of such requests does not threaten the viability” of development³²⁶. Unfortunately, the Government’s definition of ‘viability’ as providing “competitive returns to a willing land owner and willing developer”³²⁷ has been exploited by developers who now demand an emerging industry standard of 20% returns. This high profit margin level reduces the scope for funds that can be won through Section 106 agreements.

Compounding the issue is the emergence of a new breed of consultant dedicated to reducing developers’ planning obligations by demonstrating the developer can supposedly provide a very low level of contribution, if at all. Firms such as S106 Management advertise themselves to developers with slogans such as “Looking to avoid providing Affordable Housing?” and “Looking to minimise your Section 106 payments?”, describing their service as advising “on how to avoid or significantly reduce [planning obligations]”³²⁸. These firms and their more reputable counterparts produce viability assessments which compare a particular development’s expected costs with expected revenues, thereby demonstrating the level of planning obligation that can be imposed without threatening viability. Unfortunately, those consultants who seek to minimise their clients’ contributions utilise tactics such as making assumptions about future land values to drive down the expected revenue and therefore shrinking the level of profit over 20% that can be directed towards planning gain.

Local authorities also conduct their own viability assessments. In London, the GLA-designed Three Dragons toolkit is intended to maximise affordable housing whilst encouraging rather than restraining housing development as a whole. However, many local authority planners lack the skills to properly review viability assessments³²⁹. The result is that developers and their consultants are able to strong-arm local authority planning departments into accepting lower levels of planning obligations.

Labour is highly concerned about the way viability is currently used within the planning system. Barring a change of national policy, however, we believe that local authority planners should be better trained on how to analyse viability assessments. This would put them on a more level playing field with developers and help to secure higher levels of affordable housing provision through Section 106 agreements.

We would set aside £50,000 for this in the financial year 2015/16 to cover the costs of training GLA planning officers and local authority planners.

³²⁵ BBC Radio 4. Face the Facts: the affordable housing that’s unaffordable. 08 January 2014: <http://www.bbc.co.uk/programmes/b03nt9vr>.

³²⁶ National Planning Policy Guidance. Planning Obligations. Paragraphs 2 and 6. <http://planningguidance.planningportal.gov.uk/blog/guidance/planning-obligations/planning-obligations-guidance/>.

³²⁷ National Planning Policy Framework. Paragraph 173.

³²⁸ 35% Campaign. “How to Avoid Providing Affordable Housing – a Guide for Developers.” 30 July 2013: <http://35percent.org/blog/2013/07/30/how-to-avoid-providing-affordable-housing-a-guide-for-developers/>.

³²⁹ Planning Advisory Service. Viability. 10 October 2014: <http://www.pas.gov.uk/viability>.

Skyline Panel – Establish a Skyline Panel to advise the Mayor on strategic planning applications for tall buildings.

London's skyline is changing. In 2000, the London Eye was the fourth tallest structure in London. Now, only 15 years later, it ranks 22nd. A survey by New London Architecture (NLA) suggests that 236 buildings of more than 20 storeys are within the development process, 80 per cent of which are intended to be residential. The issue has been highlighted over the past year by the Skyline campaign.

Labour is not opposed to the development of tall buildings but we believe that the cumulative impact on London's skyline must be considered. There are also heritage issues which must be taken into account. Finally, we are concerned that the vast majority of the residential properties being built are not meeting London's housing need, both because they are widely unaffordable and also because they are often sold on the international market.

The London Plan includes the policies (7.7 Tall Buildings, 7.1-7.6 local character and quality of the urban realm, etc.) to ensure that London's skyline isn't radically transformed to satisfy the desires of the international super-rich. However, the Mayor is not implementing them properly.

We therefore suggest the creation of a panel to advise the Mayor on strategic planning applications for tall buildings. Composed of architects, heritage experts, developers, planners, and public representatives, it would consider the applications with respect to their cumulative impact on London's build environment and its skyline, and contribute to the Stage I and Stage II planning reports.

We would set aside £50,000 for this in the financial year 2015/16 to cover the costs of establishing the commission and the FTE of half an officer to provide support.

Localism Team/Network

Create and run a network of professionals and others with experience in engaging with neighbourhood issues under the Localism Act.

The Localism Act has created a number of platforms for communities to engage in the planning process, including³³⁰:

- Community Right to Challenge – challenge to run a local service
- Community Right to Bid – protect against loss of local amenity by designating it an Asset of Community Value
- Neighbourhood Planning – create a neighbourhood forum to develop a plan for the local area

Whilst Labour strongly supports genuine localism³³¹, there are serious concerns over the implementation of the agenda, particularly in London. These were highlighted in the November 2014 Planning Committee report *Localism in London – What's the Story?*, which found that the

³³⁰ DCLG. A plain English guide to the Localism Act. November 2011:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5959/1896534.pdf

³³¹ Hilary Benn. "Hilary Benn: The Coalition have got it wrong over planning". *Daily Telegraph*, 06 June 2013:

<http://www.telegraph.co.uk/news/10104826/Hilary-Benn-The-Coalition-have-got-it-wrong-over-planning.html>

financial, organisational, and expertise barriers often put these tools out of the reach of community groups, particularly those in deprived areas.³³²

The creation of a network of professionals and others with experience in engaging with localism could help put these community groups on a more level playing field. The GLA could host such a network within City Hall, offering a knowledge exchange putting community groups in touch with those willing and able to provide advice. It could also serve as a clearinghouse for information on process and best practice. It could be modelled on existing networks already run by the GLA, such as the High Street Network.³³³

We would set aside £100,000 for this in the financial year 2015/16 to cover one additional member of staff to run the Network as well as production of materials and hosting of events.

Support to ramp up use of off-site construction

London needs decent, energy-efficient, warm social housing – and we need it fast. Off-site construction must be part of the solution to the current crisis of supply.

Off-site construction has developed to the point where it can produce high-quality, custom-built homes up in a matter of weeks. The reduced construction time makes them competitive on cost are very high quality homes which can be precision engineered and custom-built to bespoke design. They work across all tenures, and are particularly attractive for affordable rented housing. Designs can be ultra-energy efficient, with one system slashing annual bills by £1,000 for a three-storey four-bedroom family house. Finally, the build systems represent a new industrial sector, with new manufacturing jobs and apprenticeship opportunities both in the factory and on build sites.

There are a number of tried and tested systems used in other parts of Europe but we have been lagging behind. Fortunately there are now schemes built or underway in London, assurance schemes like Bopas are increasing confidence amongst investors and clients, and housing associations are developing a pipeline of social rent and/or mixed tenure.

Yet due to the highly up-front nature of required investment, more must be done to provide certainty of demand. The GLA can help to provide that certainty of supply with an ambition that 25 per cent of all new houses built on GLA-owned land will be constructed using off-site methods.

We would also help to facilitate the provision of jobs in this new industrial sector by supporting the development of a factory within the capital. Modelled on the £100 million Laing O'Rourke Explore Plant in Steetley, Nottinghamshire, the factory could support different build systems used across the capital and beyond. GLA involvement could ensure a strong apprenticeship programme becomes an integral part of such a facility. We would therefore set aside **£50,000** to explore this possibility.

Finally, we would fund an integrated mixed-tenure pilot development of 20 units on GLA-owned land in central London. The pilot would bring together a mix of 3-storey family homes at social rent with apartments in a 6-storey block, all with access to gardens and open spaces, particularly catering for families. The project would be a modern variation of the high density,

³³² London Assembly Planning Committee. *Localism in London – What's the Story?* 20 November 2014: http://www.london.gov.uk/sites/default/files/14-11-20-Localism-Report_0.pdf.

³³³ GLA. High Street Network page. <http://www.london.gov.uk/priorities/regeneration/high-streets/high-street-network>

low-rise terraced housing design developed between the Georgian and Victorian eras, and which is proving popular and community-friendly.

Total build cost is estimated at around £1200 - 1400 per square metre, including demolition and remediation, substructure, build system erection, fit out, external works and services.³³⁴ The budget for a mixed 20-unit scheme of 2000 sq metres should be set at £2,800,000 build cost, excluding the land.

³³⁴ Rogers Stirk Harbour + Partners. *Homesell* brochure. p. 35.

8.0 London Fire and Emergency Planning Authority (LFEPA)

8.1 Critique of LFB Budget

The London Fire Brigade budget has been significantly cut under Boris Johnson's mayoralty.

Since 2009/10, the London Fire Brigade has had to find £105.871M of savings³³⁵. Until 2014, the majority of these savings impacted on non-operational staff, re-prioritisation and greater efficiencies. However, for 2015/16 and 2016/17, the Mayor cut the budget by a further £18.6³³⁶. Additionally, nearly £50M was been taken from the London Fire Brigade reserves by the Mayor to fund the Police.

This cut has led to the closure of 10 fire stations, the cutting of 14 fire appliances and the loss of nearly 552 operational firefighter posts³³⁷. Over half the wards in London have seen an increase in attendance times as a result³³⁸. The Mayor has committed to funding LFEPA to avoid any further major frontline realignment, however, LFEPA will still be expected to make substantial savings in 2015/16 and 2016/17³³⁹.

Indeed, the Mayor's budget guidance report set out savings targets for £5.9M for 2015/16 and £12.7M for 2016/17³⁴⁰. Further net budget pressures have also been identified of £1.5M in 2015/16 taking the budget gap up to £7.4M. As part of the budget review process, savings of £4.3M³⁴¹ have been identified, which include reductions across a number of departments.

LFEPA has struggled to meet the budget shortfall this year, as a result of the ongoing industrial action. Questions have been asked for the government and the Mayor to help bridge the gap however, the Authority was given a very definitive no. LFEPA will continue to work on additional savings going forward.

8.2 Capital receipts from the sale of closed stations

The Mayor's Budget Guidance stated that he wished 'to see proposals from LFEPA to optimise the revenue impact of deploying available capital receipts'³⁴². In November 2013, the LFEPA Resources Committee agreed to dispose of the stations that were forced to close as a result of LSP5. This will provide significant levels of capital receipts which currently, do not form part of LFEPA's budget proposals for 2015/16 and 2016/17.

The Labour Group would use these capital receipts to fund an Invest to Save programme, which would specifically look at refurbishing the existing estate. This would allow us to take into account the 'dignity for all' principles, making all the stations accessible for both male and female staff.

³³⁵ [FEP 2386](#)

³³⁶ [FEP 2337](#)

³³⁷ London Fire Brigade News [Article](#) 7 January 2014.

³³⁸ 371 wards have seen an increase in response times in London, Overall, 214 wards are not meeting the 6 minute target for the first appliance, while 141 wards also miss the 2nd appliance target of 8 minutes. Since January 2014, Londoners in 37 wards have seen increases of over a minute. There have also been increases in London-wide attendance times for both first and second appliance. First appliance was 5.18min in 2012/13 and has gone up to 5.30min in the 8 months since LSP5. Second appliance was 06.28mins in 2012/13 and has gone up to 06.51mins in the 8 months since LSP5.

³³⁹ [FEP 2280](#)

³⁴⁰ [FEP 2337](#)

³⁴¹ Ibid

³⁴² [FEP 2280](#)

8.3 13 appliances

As part of the contingency arrangements for the ongoing industrial action, 13 appliances are 'off the run' for over a year. While there hasn't been a period of strike action since December 2014, the formal threat of strike action has not been removed. The removal of the 13 appliances has had a clear impact on attendance times in London and Labour would return the appliances back to their stations as soon as possible.

8.4 Training, Development and Diversity

Women make up 6% of the operational workforce of London Fire Brigade, while only 12% of the workforce is Black or Ethnic Minority³⁴³. With approximately 40% of London's population defined as Black, Asian, or Minority Ethnic³⁴⁴ and 51% of the population female³⁴⁵, London Assembly Labour Members believe the London Fire Brigade is insufficiently representative of the communities it serves.

The London Fire Brigade's current recruitment target for new trainees is 18% women and 25% BME³⁴⁶. Although performance in respect of women was broadly similar to the target at the last recruitment round, it was significantly less than desired for BME candidates. The London Assembly Labour Group notes that many of the first wave of recruits are coming to retirement age. As such, the London Assembly Labour Group will renew focus on ensuring the London Fire Brigade represents Londoners by undertaking a comprehensive review of the recruitment, retention and progression strategy. This will have no additional cost implication and will be undertaken with current resources.

Staff development has also fallen off the agenda as a result of some of the non-operational cuts. The London Assembly Labour Group believes that it is vital that we continue to train our staff, whilst looking at succession planning so that the entire organisation is representative of Londoners.

8.5 CADET/LIFE Programmes

Interest in London Fire Brigade's youth engagement programmes is growing. However, both the CADET/LIFE Programmes face uncertain futures. The LIFE programme now runs in all 32 boroughs, engaging over 6000 young people³⁴⁷. The Cadet programme is also extending across London. Labour Members believe that the programmes provide an important role in the community, where young people are given a chance to gain a qualification. The London Assembly Labour Group would seek to enhance the schemes that are on offer to young Londoners, as they are a potential source of trainees.

8.6 Senior Management Review

Whilst savings have been made since 2009, the majority of these have affected non-operational staff. The London Assembly Labour Group believes that it is important that the senior management structure is also reviewed as part of the budget review process.

³⁴³ LFEPA Report – [FEP 2198](#), para 27

³⁴⁴ London Councils, *London Key Facts*.

³⁴⁵ 2011 census results: how many people live in your local authority?, *The Guardian*, Date accessed: 20.01.14

³⁴⁶ LFEPA Report – [FEP 2100](#), table 2

³⁴⁷ LFB LIFE Programme [information](#)

8.7 Legislative change

Over the last 50 years, fire safety changes to building regulations and furniture and material regulations have had a significant impact on the number of fires, fire deaths and injuries. The next step change in reducing fires will be when sprinkler and fire suppression equipment is made mandatory in private and public buildings and residential properties.

The Fifth London Safety Plan (LSP5) highlighted that the majority of respondents to the consultation (56 per cent – 1,021 out of 1,834 responses) agreed with the proposal that London borough councils and other social housing providers should be funding the installation of domestic smoke alarms where people are at higher risk. There was a similar result (57 per cent – 1,043 out of 1835 responses) when asked whether the Mayor of London should use his powers and funding streams to ensure new social housing fitted with domestic sprinklers. The majority of respondents (64 per cent – 1171 out of 1834 responses) agreed that the Authority should be lobbying government for sprinklers to be installed in high-risk premises.

The Labour Group of the London Assembly supports the London Fire Brigade sprinkler campaign and proposes that the London Fire Brigade provides leadership in the drive to change building regulations to make the installation of sprinkler systems mandatory in schools, residential care homes, domestic premises housing the most vulnerable and commercial premises that present a significant risk due to their size, construction or use.

8.8 Sustainable development

The London Fire Brigade's vehicles have been converted to achieve compliance with the Low Emission Zone standard and 97% meet or exceed Euro II emission standards³⁴⁸. However, the next generation of vehicles will soon be procured. The London Assembly Labour Group will work hard to ensure all vehicles used by the London Fire Brigade are of the highest emission standards whilst also meeting the operational requirements needed by our firefighters through the procurement process. This will have no additional cost implication.

³⁴⁸ [LFB Sustainable Development Annual Report](#) , para 20

9.0 Mayor's Office for Policing and Crime (MOPAC)

MOPAC Council tax requirement	Cost £millions
Initiatives for Londoners	
Increase number of Police Constables by 1025 (an average of 33 extra per Borough)	41
Anti-Sexual Harassment Campaign	2
Preventing Violence Work	8
Targeted funding for youth engagement and preventing youth offending	3
Youth Engagement officer per borough	Cost neutral
Lead Disability Support Officer for every borough	Cost neutral
Victim's Champion	0.01
Develop Pilot advocacy support for victims with learning disabilities and mental health issues	1
Total	55.01
Funded by:	
Reduce First Class Flights and Hotel costs by 20% ³⁴⁹	0.22
Public Affairs Budget Reduced by 20% ³⁵⁰	1.02
Reduction in budget of cars available to ACPO officers for anything other than security purposes ³⁵¹	0.437
Deletion of MOPAC's 4 non-executive advisors posts	0.09
Reduction of Overtime Budget by 2% ³⁵²	2.03
Reallocation of Retained Business Rates from Transport for London	47.113
Sale of 8 properties available to ACPO officers* ³⁵³	2.8
Sale of Water Cannon*	1.3
Total	55.01

*These savings generate capital receipts of £4.1m which are proposed to be passed to TfL. Accordingly, TfL's share of retained business rates is reduced by £4.1m and MOPAC is to receive £4.1m of retained business rates.

³⁴⁹ Mayor's Question, 2013/3452

³⁵⁰ Mayor's Question, 2014/4169

³⁵¹ Mayor's Question, 2014/3887

³⁵² DMPD, 176, Appendix, November 2013

³⁵³ Mayor's Question, 2014/3886 & 2014/4172

9.1 Overview and Critique

This budget comes toward the end of 20% cuts to the Metropolitan Police Force over four years from 2011-2015, imposed by the Government³⁵⁴.

Last year, London Assembly Labour Group warned that there were indicators that further significant funding cuts will be made after 2015³⁵⁵ and this has now been confirmed by the MPS Commissioner Bernard Hogan-Howe who has announced that cuts in the order of £800million will need to be found after 2016-17.³⁵⁶ This will mean the MPS will have made £1.4billion worth of cuts between 2010 and 2020. The Deputy Mayor for Policing and Crime, Stephen Greenhalgh has warned that as a result of this, further 'drastic cuts'³⁵⁷ to services will have to be made, while the HMIC has directly pointed at the prospect of cutting police officer numbers as a method of achieving these cuts stating "At present, 57 percent of the force's operating costs are spent on police officer pay, which is a fixed cost to meet the mayoral commitment to retain 31,957 officers. The number of police officers needed to police London beyond 2016 will almost certainly need to be reviewed to meet future savings challenges."³⁵⁸

In 2010 HMIC warned that cuts beyond 12% to 2015-16 would impact on frontline services.³⁵⁹ As stated previously³⁶⁰ the we would not have cut have beyond this 12% figure. We are now seeing the results of this cut above 12% manifesting itself in the MPS's ability to do preventative policing and in the confidence of Londoners in their police force.

This year, Mayor Johnson's budget states that "Despite the additional reductions in Government grants for MOPAC, the Mayor reiterates his commitment to maintain a police officer establishment at around 32,000."³⁶¹

However this claim has been a false promise. Police numbers have not actually been at 32,000 at any point during this Mayoral term; the lowest point they have reached was in January 2014 at 30,036.³⁶² For most of this Mayoralty Boris Johnson has been running the MPS at what his Deputy Mayor once termed "Doomsday scenario levels."³⁶³ Latest figures show that to date since May 2010 London has lost 2,015 police officers and 2,550 PCSOs, that's 6% and over 60% lost respectively³⁶⁴ reducing total uniform presence in London reduced significantly.

It is clear that savings so far achieved by the MPS and MOPAC have involved hefty cuts to both policing and staffing strength in London and to the police estate.³⁶⁵ MOPAC has so far made savings by limiting recruitment and holding vacancies, as a result, by the end of the spending review period, there will be 1,374 fewer police officers in the MPS. The MPS's own evaluation of the Local Policing Model in June 2014 stated that the policy of holding vacancies has also had a significant impact on the Met's ability to do its job, stating vacancy rates were "having an

³⁵⁴ HMIC, July 2012, [Policing in Austerity: One Year On](#), ,

³⁵⁵ Police and Crime Committee, 16th January 2013

³⁵⁶ [Planned cuts to police will endanger the public, says UK's top police chief](#), The Guardian, 22nd Dec 2014

³⁵⁷ The Times reported, Monday 17th November 2014

³⁵⁸ HMIC, July 2014 [Responding to Austerity](#), page 10

³⁵⁹ HMIC, July 2010, Valuing the Police

³⁶⁰ Labour Group Budget Amendment 2013-14, Labour Group Budget Amendment 2014-15

³⁶¹ Mayor's Budget Guidance, 2015-16

³⁶² London Datastore, May 2010 compared to Nov 2014 figs – latest available retrieved Jan 2014

³⁶³ Stephen Greenhalgh, Home Affairs Select Committee, 4th September 2012

³⁶⁴ Police Figs; London Datastore, [Retrieved 7th Jan 2015]

³⁶⁵ MOPAC Provisional Outturn 2013-14, 11th July 2014

impact on Safer Neighbourhoods service delivery as officers were having to backfill vacancies in Emergency Response & Patrol Teams to ensure 999 functions were maintained.”³⁶⁶

This story is in stark contrast to the Mayor’s consistent claims that he is either ‘maintaining police numbers’³⁶⁷ or ‘increasing police numbers’ in London.³⁶⁸ The Mayor should be honest with Londoners about the understaffing of police officers to this point.

As we approach the 2016 Mayoral election the police officer numbers are beginning to climb toward the 32,000 number, however so far the majority of these officers have not gone to Neighbourhood policing but have gone to the Central Commands of the MPS. Since May 2010 the Boroughs have lost over 2,240 or 11% while the Central Met has increase by 434 officers or 3%.³⁶⁹

The results of this policy have been starkly realised in the new Local Policing Model. Over the past two budgets³⁷⁰ members have warned that both the integrity of Neighbourhood Policing would be undermined by the Mayor’s plans. This year we have had evidence. In July 2014 Commissioner Bernard Hogan Howe admitted that the plans for local policing in London had “gone the wrong way” and a review into the Neighbourhood team structure was announced.³⁷¹

At the moment overall Confidence in the Police is low at 68%³⁷² a metric the Mayor promised to increase by 20%. Some Neighbourhoods in London score just 50%³⁷³ of the population feeling confident³⁷⁴ in the police.

Last year we highlighted that according to the HMIC London has the lowest visibility ratios in England and Wales, this year we have seen that this problem persists with just 53%³⁷⁵ of Londoners feeling that their police are providing a visible policing presence. In some Neighbourhoods this figures is as low as 31%³⁷⁶.

This is very probably due to the high abstraction rate that is blighting Neighbourhood teams. A problem that Met Commissioner Bernard Hogan Howe has described as ‘driving him crackers’.³⁷⁷ The Local Policing Model was supposed to achieve an abstraction rate of 5% however the latest figures show that Borough teams are currently running a 17% total abstraction rate. This means that police officers are being taken off their ‘normal’ duties of policing London’s neighbourhoods and being moved to other areas such as busy night-time Town Centres or policing events such as football matches or protests. The impact of this is that the number of police officers a Borough has on paper is very often not the reality.

London Assembly Labour is also concerned about the impact of these cuts on police morale. In 2013 we heard that over half of all MPS staff and volunteers not satisfied with their work and that, perhaps most shockingly that only Just 30 per cent of Met staff believed they would

³⁶⁶ Review of the Local Policing Model, MPS, Briefing to PCC, June 2014

³⁶⁷ Mayor’s Budget Guidance, 2015-16

³⁶⁸ Boris Johnson, “Taking Greater London Forward”, Manifesto 2012

³⁶⁹ London Datastore, May 2010 compared to Nov 2014 figs – latest available retrieved Jan 2014

³⁷⁰ Labour Group Budget Amendment 2013-14, Labour Group Budget Amendment 2014-15

³⁷¹ London Assembly Police and Crime Committee, July 2014

³⁷² Mayor of London, [Neighbourhood Confidence Comparator](#), data retrieved 7th Jan 2015

³⁷³ Ibid

³⁷⁴ Ibid

³⁷⁵ Ibid

³⁷⁶ Ibid

³⁷⁷ London Assembly Police and Crime Committee, July 2014

receive a good service from the force if they were a member of public.³⁷⁸ Since then we have received reports from serving police officers and staff telling us of that resources are stretched, that the police don't have time to do things like community meetings and prevention work. The MPS's evaluation of the LPM from June 2014 highlighted that the shift patterns were have a significant impact on morale and that vacancies around CID meant that Neighbourhood officers were insufficiently supported and trained when it came to investigation work.³⁷⁹

According to numbers recently released by the MPS, days off due to stress have increased across the MPS by 43% over the past 5 years with the highest increase in 2012-13. The number of resignations has also dramatically increased with 506 resignations just last year.³⁸⁰

The London Assembly Labour Group believes that this speaks volumes about the success of the new Local Police Model which has stripped back Safer Neighbourhood teams to a bare minimum and has left both staff and officers over-tasked and under-resourced. We believe that this model is entirely detrimental to the ethos of preventative policing with established neighbourhood teams with strong links to the Community. **We would seek to begin reversing these cut backs by putting 1025 Police Constables back on the beat- this equates to 33 extra officers per borough** thus going some way to increasing the overall uniform presence on London's streets and beginning to rebuild the community intelligence and trust levels that members believe are being eroded.

These extra police officers would go some way to ease the extra calls on police resources given the escalated terror threat in London. Assistant Commissioner Mark Rowley has commented that there is a heightened risk to the security of police officers and has called on officers to review their own security arrangements³⁸¹ which may include patrolling in pairs. There is also a greater call on the police to patrol places of heightened vulnerability.

In hiring these extra officers we would ensure the Met take on board the recommendations of the London Assembly Police and Crime Committee's report "Diversity in the Met Police"³⁸² including:

- Targeting BME women as a specific group and creating 'champions' to increase diversity.
- Supporting flexible working to plug the rising numbers of female officers leaving the force.
- Consider the legal implications of lessons from New York and Northern Ireland in the next two years, if other efforts to increase diversity prove unsuccessful.
- MOPAC should open up a dialogue with Government around the feasibility of implementing a law change in the future if the Met is unable to recruit more BAME officers in the next two years.

Please see overleaf...

³⁷⁸ Evening Standard, Nov 2013, *Half of Met's workforce not satisfied with their job, Scotland Yard survey Reveals.*

³⁷⁹ Review of the Local Policing Model, MPS, Briefing to PCC, June 2014

³⁸⁰ Met police taking time off work with stress-related illnesses, The Guardian, 28th Dec 2014

³⁸¹ [Statement from National Policing Lead for Counter Terrorism Assistant Commissioner Mark Rowley](#), 16th January 2015.

³⁸² [London Assembly, Police and Crime Committee](#), Diversity in the Met Police, December 2014

9.2 Crime Prevention Work

London Assembly Labour are strongly of the view that the MPS under the direction of MOPAC is at risk of sliding back to '1980s style' policing which is reactive and unengaged with the communities they serve. We would like to see the ethos of the Safer Neighbourhood Teams reinvigorated in the new Neighbourhood policing model with a visible and known police constable and PCSO presence on our streets and engaging with our communities.

We are extremely concerned about the recent spike in Violent Crime across London which has risen by 24% across London in the last year. London Assembly Labour believe that preventative work in our schools and across our communities is the best way of tackling causes of violent crime.

Money used to fund crime prevention projects and interventions across London, has declined dramatically since 2010. In 2010/11, London's share of funding came to just over £13.2 million. This was reduced to £10.6 million in 2011/12 and halved to £5.3 million this year (2012/13) in 2013/14 this was reduced again with just £3.18 million from London's Crime Prevention Fund being used for tackling Gangs and Youth Violence Issues.

We therefore would put £9 million into London Crime Prevention Fund for specific work in preventing violence across London. £3million would be specifically targeted at youth engagement and youth reoffending.

Within this work we would look at specifically funding an Anti-Violence Education Programme addressing and tackling violence in all its forms from physical to verbal to online bullying. We would use the Mayor's links with London schools to roll this project out.

London Assembly Labour would also roll out an Anti-Sexual Harassment Campaign across the TfL network. Evidence shows a 30% increase in Sexual Harassment across London's transport network and that this is unlikely to be solely a result of an increased confidence to report. London Assembly Labour are committed to running the safest transport network possible for Londoners. We have asked the Mayor and TfL for the past three years to develop an anti-sexual harassment campaign on the Transport network, such a campaign has yet to materialise.

London Assembly Labour would develop a campaign modelled on the successful campaign in New York, including posters and station announcements. We would also pilot an online reporting tool to encourage victims to report. We believe that such a campaign will positively affect both the environment on London's transport network but also influence victims of sexual harassment and violence elsewhere to report.

9.3 Victim Satisfaction

The HMIC said in their report on the MPS's response to the funding challenge that "An important measure of the impact of changes to service delivery for the public is how satisfied victims are with the overall service they receive when they seek police assistance."³⁸³

London has the second lowest victim satisfaction level in England and Wales.³⁸⁴ In the 12 months to March 2014, 79.8% of victims were satisfied with the overall service provided by the

³⁸³ HMIC, July 2013, [Metropolitan Police Service – Response to the funding challenge](#)

Metropolitan Police Service. This is considerably lower than the England and Wales figure (85.2%).³⁸⁵

London Assembly Labour continues to be concerned about the high level of dissatisfaction among victims of crime with the service they receive from the MPS and onward through the criminal justice system. Members feel that this is now an urgent requirement on the MPS given that proportionately the MPS solve the fewest number of victim-based crimes in England and Wales.³⁸⁶

MOPAC has recently taken over the commissioning of London's Victim Services. Before they took over this responsibility an independent report into the state of London's victim services showed that a consensus across the statutory and voluntary sector that changes in the profile of victims in London was not currently being matched by the provision of appropriate support. The core gaps in provision included:

- Limited refuge spaces for domestic violence victims.
- Ineffective responses to hate crime and young victims of crime.
- Poor support for victims with disabilities.

London Assembly Labour repeat our earlier pledge³⁸⁷ to introduce a Champion for Victims in the MOPAC office giving victims a real voice in London government.

Since May 2010 Domestic Violence reporting has increased by 20%.³⁸⁸ We are extremely concerned about this rise and are unconvinced that the rise is solely down to increased confidence to report. **We would commission a mapping and reporting exercise bringing together the Met, the boroughs and relevant stakeholders to map refuge provision across London and look at ways of developing greater sustainable levels of provision across our city.**

As pledged last year, we would develop a pilot advocacy support programme (based on the Independent Domestic Violence Model) for victims with learning disabilities and those with mental health issues.

We would ask the MPS to provide a lead Disability Support Officer in every Borough.

Within our budget for preventative work we have pledged 3million targeted funding for youth engagement and preventing youth re-offending.

We would also ask the MPS to provide at least one lead Youth Engagement Office in every Borough.

At the time of his decision to close 63 front counters across London the Mayor promised that they would be replaced with places to report that would be 'equivalent or better' in terms of accessibility and opening hours.

³⁸⁴ HMIC online crime comparator <http://www.hmic.gov.uk/crime-and-policing-comparator/#chart2> twelve months to March 2014

³⁸⁵ HMIC online crime comparator <http://www.hmic.gov.uk/crime-and-policing-comparator/#chart2> twelve months to March 2014

³⁸⁶ HMIC online crime comparator <http://www.hmic.gov.uk/crime-and-policing-comparator/#chart2> twelve months to March 2014

³⁸⁷ Labour Group Budget Amendment 2013-14, Labour Group Budget Amendment 2014-15

³⁸⁸ London Datastore, May 2010 compared to July 2014 figs – latest available retrieved Sept 2014

In a letter to the Police and Crime Committee, responding to their 'Duty of Care' report on Victims Services Stephen Greenhalgh called new contact points "a suitable network of places for people to engage with the public" however, in reality these 'contact points' are poorly advertised, underfunded, poorly placed and often ineffective. Many have no private area for people to report in privacy.

In their evaluation of the LPM in June 2014 the MPS stated that Contact Points are underused with just 1.3 visits per week and that they offered 'poor value for money as "the estimated cost per customer stands at about £84 based on staff costs alone"

The status of contact points is to be reviewed in the Met's review of the Local Policing Model which is due for publication this spring. We await this review with interest, and hope to see the Mayoral pledge of being equivalent or better provision to front counters finally being met with a private place for victims to report crime or speak to an officer.

9.4 Savings

At a time of austerity for Londoners London Assembly Labour members feel that it is only right that the MPS, particularly in the top ranks make further savings. We have found and would implement the following reductions:

- We would freeze the precept by 10% for 2015-16.
- We would reallocate business rates from TfL
- We would sell the MPS's water cannon, providing a capital receipt of £1.3m.
- Reduce the MPS budget for flights and hotels by a further 20%.
- We would find another 20% of savings within the Met's directorate of Public Affairs
- We would reduce the budget for cars available to ACPO officers for anything other than security purposes
- We would also reduce overtime by a further 2%.³⁸⁹
- Delete current MOPAC non-executive advisor posts.
- We would put all 8 ACPO apartments on the market.

³⁸⁹ MOPAC Draft Budget Submission 2012/13- 2015/16, Appendix C

10.0 Regeneration

10.1 The London Legacy Development Corporation

While the London Legacy Development Corporation is on course to deliver the regeneration and redevelopment of the Olympic Park, its operations have revealed shortcomings of both its funding model and its ability and ambitions to deliver the convergence agenda across the wider area of the Olympic 'growth' boroughs; Hackney, Tower Hamlets, Waltham Forest, Newham and Greenwich.

We welcome the re-profiling of the Southern area of the park to the cultural zone known as 'Olympicopolis'. Olympicopolis has the potential to create a new town centre and focus to Stratford High Street that will improve the sense of place in this part of eastern Newham. We welcome the commitment to ensuring job opportunities are available to residents of the host boroughs as a path to convergence.

We also welcome efforts to offset the potential loss of affordable housing by achieving higher housing densities elsewhere on the park. The gain of a diverse employment offer at Olympicopolis should not come at the cost of affordable housing and with it, a diverse community that reflects East London and contributes to meeting its acute housing need. We also strongly support efforts to ensure Community Land Trusts contribute to the housing offer of the Park.

Nonetheless, the need to negotiate with central government highlights the deficiencies of the LLDC, particularly in its scope to contribute to the convergence agenda across the wider zone of the entire Olympic boroughs. This aim clearly requires adequate public funding to tackle East London's lag across a range of socio-economic indicators. The focus on the 'hard' regeneration, the delivery of the Park as necessitated by the LLDC's financial responsibilities to central government and the taxpayer have limited its ability to prioritise or deliver the 'softer' regeneration agenda of convergence. In the absence of a development agency capable of comprehending regeneration as this wider context, we urge the Mayor and GLA to engage with and consider sizeable investment in the growth boroughs' wider ambitions for the Olympic Legacy.

There remains considerable financial risk to the GLA posed by the LLDC. The danger of repeating this institutional austerity, incapacity and risk at the new Mayoral Development Corporation at Old Oak illustrates the importance of empowering Development Corporations to pursue their socio-economic intentions, alongside ensuring they are financially sound land assembly and redevelopment vehicles.

In the short term, we are also concerned at the significantly lower than projected visitor numbers to and revenue raised from the Arcelor Mittal Orbit. We urge the Mayor to appeal to London & Partners to promote this attraction, in London and beyond, as a symbolic antecedent to and landmark for Olympicopolis.

11.0 Transport

Transport for London Mayor's call upon the precept No change (but see below)	£ (millions)
Support for Londoners	Revenue Spending
Modernising our neglected Bus Service: Fund 30 additional hybrid buses (£300,000 per bus) are use them to provide better access to our health facilities	9
Investigating Cleaning up the Bus Fleet	0.1
Freeze Fares at 2013/14 rates for 2015/16	98
Fund for Restoration of Off-Peak Discount	20
More Step Free Stations	25
Re-prioritising cycling	20
Zero Tolerance of Road Deaths	10
Sustainable Aviation Fund	10
Supporting The Taxi Trade	0.77
Total:	192.87
Funded by:	
(Revenue) Use of Transport for London (TfL) budget underspends of £81m Raising the target for savings by £58m (Capital) Underspends of £35m, and £19m in Reserves (for use on Capital projects)	192.87

11.1 Draft Consultation Position and Critique

London Assembly Labour Members note the fact that **the Mayor is not helping those Londoners who need it the most.**

The use of public transport is more often than not an unavoidable expense for Londoners, and this Mayor has hit the pockets of commuters and passengers incredibly hard during his time in power. Since 2008, the Mayor has been responsible for a 47% increase in bus fares and a 37% increase in Tube fares³⁹⁰. A person living in Uxbridge using a Zone 1-6 annual travelcard will have seen their **fares go up by £560** under this Mayor.

In March 2006 TfL committed to ensuring the one third of all tube stations would be step-free by 2013³⁹¹. 45 out of 270 were step free at this point (17%). As of August 2014 there are 66 step-free tube stations (24%)³⁹². The Mayor has made a decision to keep the tube network a largely no go area for those with access needs.

The Mayor has consistently failed to tackle London's air pollution crisis often batting away criticism with bluster. The Mayor has watered down policies such as the Low Emission Zone and broken promises on creating a truly effective Ultra Low Emission Zone. The Mayor has dragged

³⁹⁰ Figures supplied by Transport for London

³⁹¹ Channel 4 (29 March 2012), [Fact Check: TfL's abandoned pledge on Tube access for the disabled](#), Date retrieved: 09.09.2014

³⁹² Transport for London, [Step-free access](#), Date retrieved: 09.09.2014

his feet in retro-fitting the bus fleet with filters to clean up tailpipe emissions and his half-hearted attempts to promote electric vehicles have flopped.

At the same time the Mayor has reduced resources to his own environment team and misled Londoners by declaring during a smog incident (the air) “*seemed perfectly fine to me*”. The Mayor’s comment came after it was confirmed by Defra that London had experienced ‘Level 10’ air pollution – which is the worst possible. The Mayor’s comments were dangerously complacent in the face of the clear evidence of the adverse effect on public health.

As the Mayor looks to a future beyond London his legacy on air quality will be the thousands of children who were exposed to toxic emissions by simply daring to walk beside a road in their hometown. The latest studies suggest those same children will likely experience a range of future health problems in adult life as a result of their exposure.

London Assembly Labour Members note the fact that **the Mayor is not getting a good deal from Government.**

The Government’s transport grant (including Crossrail) was £3.115bn when the Mayor became Mayor in 2008 and is due to drop by 6.46% to £2.914Bn in 2016/17 when he leaves office.³⁹³ We believe that this Mayor has not fought hard enough to secure the level of funding that the capital should be receiving.

London Assembly Labour Members note the fact that **important transport projects have been delayed due to the Mayor cancelling them in 2008 before bring them back**

The £500m Thames Gateway Bridge was cancelled in 2008³⁹⁴, losing £200m in PFI Credits³⁹⁵. It was due to open in 2013. Since then the Mayor has opened up the Cable Car in North Greenwich in 2012³⁹⁶ and is now consulting on Bridges at Gallions Reach (opening 2022-25) & Belvedere (opening 2025-30), in July-September 2014; and a tunnel at Silvertown, in late 2014³⁹⁷ (opening 2021).

The Tramlink Extension to Crystal Palace³⁹⁸ was cancelled in 2008. It was then included in his May 2012 manifesto, but not TfL’s 10 year business plan published in December 2012³⁹⁹.

The DLR extension to Dagenham Dock⁴⁰⁰ was cancelled in 2008. An Overground extension was announced in March 2014⁴⁰¹.

³⁹³ TfL, [Extracts from TfL Operational and Financial Performance Reviews](#), Date retrieved: 18.09.2014

³⁹⁴ Wikipedia, [Thames Gateway Bridge](#), Date retrieved: 09.09.2014

³⁹⁵ New Civil Engineer (12 October 2009), [Boris U-turn revives Thames Gateway Bridge](#), Date retrieved: 09.09.2014

³⁹⁶ Transport for London, [Emirates Air Line](#), Date retrieved: 09.09.2014

³⁹⁷ Transport for London, [Have your say on options for new river crossings in east London](#), Date retrieved: 09.09.2014

³⁹⁸ Wikipedia, [Tramlink Extension D / Route 5](#), Date retrieved: 09.09.2014

³⁹⁹ Croydon Advertiser (13 March 2014), [Crystal Palace trams? Haven't we heard that somewhere before Boris?](#), Date retrieved: 09.09.2014

⁴⁰⁰ Transport for London, [Docklands Light Railway - Dagenham Dock](#), Date retrieved: 09.09.2014

⁴⁰¹ The Wharf (19 March 2014), [DLR Dagenham extension will not be looked at as part of Barking Riverside regeneration](#), Date retrieved: 09.09.2014

The gyratory removal programme, aimed at removing traffic schemes which sever communities and make town centres unwelcoming to pedestrians was cancelled in 2008. The Mayor then reviewed 500 junctions and is currently proceeding with improving just 33 of them.⁴⁰² It seems likely that only 10 of the junctions will be improved by the time the Mayor leaves office.

London Assembly Labour Members note the fact that the **Mayor has wasted millions of pounds on his badly planned and implemented projects including;**

The Cable Car Scheme - In July 2010 when the Mayor announced the scheme he said "The aim is to fund the construction of the scheme entirely from private finance and discussions are ongoing with a number of private sector organisations that have expressed interest in the project"⁴⁰³. Instead TfL spent **£61m** constructing the scheme and it will be many years before the income from the operation of the cable car will pay back the initial investment⁴⁰⁴.

The Cycle Hire Scheme - The Mayor has said, "We will broker a deal with a private company to bring thousands of bikes to the capital at no cost to the taxpayer"⁴⁰⁵. In fact the Cycle Hire scheme will cost Londoners **£225m**, by 2015/16⁴⁰⁶, 9 times the maximum £25m due under the Mayor's sponsorship deal with Barclays Bank which runs until 2015⁴⁰⁷. TfL says it "not currently possible" to say when the Cycle Hire scheme will be self-funding⁴⁰⁸.

The new Routemaster Bus - The Mayor has said, "I imagine the cost of the development of that new bus will be borne by the industry, and as for the rolling out of the bus....we're going to have rolling out of the buses, some prototype new buses on the streets..."⁴⁰⁹ **The new Routemaster Bus** will actually cost £354,500 per vehicle, making them around £50,000 more expensive than a comparable off-the-shelf hybrid double decker⁴¹⁰. This has resulted in a cost benefit score of 0.2 to 1, despite TfL targeting a return of £2 for every £1 spent.

This year, the Mayor increased the number of Routemaster buses he plans to introduce in the capital from 600 to 800⁴¹¹, none of which currently meet ULEZ emission standards. This now equates to £40m in extra costs compared to the off-the-shelf hybrid bus. Furthermore, the initial 600 Routemasters require a second crew member, the 'conductor'⁴¹² when its rear platform is in operation. This has been estimated to add a cost of £62,000 per vehicle per year, or £37.2million for all 600 buses⁴¹³.

It transpires that the extra 200 New Routemasters will be operated by one person⁴¹⁴, which begs the question; why is Boris spending vast amounts of money on even more Routemasters when their benefits are not set to outweigh their costs? Including the 200 new Routemasters,

⁴⁰² TfL, [Better Junctions](#), Date retrieved: 24.09.14

⁴⁰³ Boris Watch (4 April 2014), [Great Boris Lies #6 – 'At No Cost To The Taxpayer'](#), Date retrieved: 09.09.2014

⁴⁰⁴ London Assembly (25 June 2014), [Budget and Performance Committee](#), Date retrieved: 09.09.2014

⁴⁰⁵ Boris Johnson, [Getting London Moving](#), Date retrieved: 09.09.2014

⁴⁰⁶ Mayor Watch (15 August 2012), [TfL: We don't know when Boris's Cycle Hire scheme will be self-funding](#), Date retrieved: 09.09.2014

⁴⁰⁷ Mayor Watch (23 June 2014), [Assembly to investigate whether TfL's sponsorship deals provide value for money](#), Date retrieved: 09.09.2014

⁴⁰⁸ Mayor Watch (15 August 2012), [TfL: We don't know when Boris's Cycle Hire scheme will be self-funding](#), Date retrieved: 09.09.2014

⁴⁰⁹ Boris Watch (15 December 2010), [Boris Bus Policy In A Total Mess](#), Date retrieved: 09.09.2014

⁴¹⁰ Taxi Leaks (3 May 2013), [TfL reveals cost of New Bus for London fleet](#), Date retrieved: 09.09.2014

⁴¹¹ Greater London Authority, ['Group Budget Proposals and Precepts 2015-16'](#), p.34, retrieved 23.01.2015

⁴¹² Transport for London ['New Routemasters'](#), retrieved 26.01.2015

⁴¹³ Business Green (15th May 2013), [Boris closer to knowing how much his controversial new 'green' Routemaster will cost](#), retrieved: 23.01.2015

⁴¹⁴ Transport for London, [Finance and Policy Committee Papers, 14th October 2014](#), p. 5 retrieved 23.01.2015

and the 600 buses that require 2 members of staff – the total cost of the Mayor’s Routemaster programme comes to **£77.2m in total!**

The Mayor has spent £5.2m on a fantasy Island Airport⁴¹⁵; and given his backing to projects such as the ‘The Bounceway’. Transport for London initially called this giant trampoline an “iconic and inclusive new public space in the heart of London”⁴¹⁶. However with the proposed project costing the taxpayer £75,000⁴¹⁷ as a part of the Future Streets Incubator project, the Mayor had to make an embarrassing U-Turn on this project – accepting that; “It doesn’t seem to me at first blush to serve any immediate transport purposes”⁴¹⁸ but remained “disappointed” that this was the case.

Other fantasy projects include a Ponte Vecchio style Living Bridge⁴¹⁹, a Floating platform on the Thames⁴²⁰, the “Sky Cycle” plan⁴²¹ & the Pall Mall underpass.

A further £34m is to go on a **garden bridge** that does not have a transport cost/benefit analysis and does nothing to help London’s workforce get to work⁴²². Had the Mayor not wasted such large sums on these projects, he would no doubt have more to spend on the transport projects Londoners desperately need, such as expansion of the bus network.

11.2 Modernising our neglected Bus Service

Under this Mayor the bus service has largely been ignored, apart from his over-priced, overly hot, new Routemaster bus. London Assembly Labour Group would seek to restore the fortunes of the bus service by expanding it, halting the subsidy cuts, using it to help tackle deprivation, improving connections to our hospitals as well as making the fleet clean.

In the latest business plan, covering the next ten years, the Mayor’s says, “More than 500 extra buses will help meet rising demand and carry almost three million more passenger journeys a week”. Our previous three budget amendments for 2012-13, 2013-14 & 2014-15 all called on the Mayor to introduce 50 extra buses. We are delighted that the Mayor finally agrees with us. However, this is too little too late.

For years the Mayor has treated the bus service as the poor relation in London’s transport system. Despite fares for bus users rising 47% since Boris Johnson came to power we’ve seen six years of flat lining growth in the bus network at the same time as soaring demand and massive issues of overcrowding.

⁴¹⁵ [MD1334](#) on 9 April 2014 provided an extra £2m. [MD1080](#) provided an extra £3m. [MD1037](#) extended [MD806](#) which provided £200,000

⁴¹⁶ The Evening Standard, ‘[World’s longest urban trampoline planned for central London](#)’, 26 November 2014, Accessed 09/01/2015

⁴¹⁷ The Evening Standard ‘[Plans for World’s longest Urban Trampoline bounced out of City Hall](#)’ 21st January 2015 Accessed: 21/01/2015

⁴¹⁸ London Assembly [Budget and Performance Committee Meeting](#), January 14th 2015

⁴¹⁹ The Guardian (7 May 2009), [Boris's bridge: some bollockings](#), Date retrieved: 09.09.2014

⁴²⁰ Evening Standard (27 September 2011), [Boris river park will ruin my view, says climate change peer](#), Date retrieved: 09.09.2014

⁴²¹ Road.cc (7 January 2014), [Boris Johnson shoots down “fantastically expensive” SkyCycle plan for cycle routes in the sky](#), Date retrieved: 09.09.2014

⁴²² TfL Finance and Policy Committee (18.07.13), [Garden Bridge](#), Date retrieved: 13.01.14 & <https://twitter.com/BBCTomEdwards> (22.01.14) “It’s been confirmed the Mayor through TfL will match fund Treasury’s £30m contribution to the Garden Bridge subject to final business case.” Date retrieved: 22.01.14

Between 2000 & 2008 there was a 34% increase in bus km, but only an expected 4.39% increase between 2008 & 2016⁴²³. Under this Mayor it appears that expanding the bus fleet has not been a priority, despite a growth in London's population of 11.24% over the same period.⁴²⁴

Financial Year	Operated KMs (millions)
2000/01	357
2001/02	373
2002/03	397
2003/04	437
2004/05	450
2005/06	454
2006/07	458
2007/08	468
2008/09	478
2009/10	483
2010/11	486
2011/12	490
2012/13	490
2013/14	492 ⁴²⁵
2014/15	493 ⁴²⁶
2015/16	496
2016/17	499

More people travel on London's buses than any other type of transport, yet for six years the Mayor has neglected the bus service and subjected passengers to ever increasing overcrowding⁴²⁷. Any extra bus is welcome, but for many overcrowded bus users it will come as too little too late.

Part of the reason for this lack of new bus capacity is the cut in the bus subsidy. TFL boast that, "over the past five years, real bus subsidy has been reduced by 40 per cent, with London buses requiring a third less subsidy per passenger than other metropolitan areas"⁴²⁸. It is perhaps important to pause here to explain what the bus subsidy is and why a responsible Mayor should not seek to cut it to zero.

The bus subsidy is the Network costs (Network costs are contract payments covering the operators' costs in providing the services including staff, fuel, maintenance and parts) minus the fares income (Fares income includes fares paid by passengers and payments made by boroughs on behalf of Freedom Pass users). In 2014/15 the network costs were £1,981m, the fares income was £1,555m and so the subsidy was £426m.

⁴²³ Figures supplied by Transport for London

⁴²⁴ London Datastore [GLA 2012 round population projections](#): 2008 population is 7,869,882 and 2016 population is 8,754,504; Date retrieved: 13.10.14

⁴²⁵ TfL, Business Plan 2013, Date retrieved: 13.10.14

⁴²⁶ TfL, Business Plan 2014, Date retrieved: 03.12.14

⁴²⁷ London Assembly (28th October 2013) [Fears of future overcrowding due to 167 million more London bus journeys](#) Date retrieved: 13.01.14

⁴²⁸ TfL, Business Plan 2013, Pg. 73, Date retrieved: 18.09.14

Peter Hendy, the Mayor's Transport Commissioner, perhaps put it best when he told the Transport Committee in December 2012

"The bargain for bus passengers is that this is a bus service that everybody else in Great Britain would die for. The people who live outside London are envious to an enormous degree about the ability to move around London 24 hours a day, 7 days a week, at fares that are a fraction of what you would pay in the rest of Britain and the reason is because the subsidy is still £400 million a year.

"Most bus passengers in the rest of the country get no subsidy at all; they are paying the economic cost. As I have described at least to some of you before, I could run this bus service at no subsidy. What I would do is jack the fares up by about times-four and reduce the service in the peak hours by about three-quarters. I could make it work really well at no subsidy at all; London would be devastated both economically and socially as a consequence and that is the reason why we work so hard to justify the amount of money that is put into the service in subsidy."⁴²⁹

We would therefore seek to re-prioritise TfL, away from cutting the subsidy and towards using the bus network to benefit Londoners; starting with using the network to tackle deprivation.

In our report, *Tackling Poverty: One Bus Ride Away*, we found that thousands of deprived Londoners face significant transport barriers to employment, with TfL's own 'poor' Public Transport Accessibility Levels (PTAL) occurring in areas of high deprivation. The report explores the transformative effect new tube stations or bus routes could have in opening up those communities and linking them to jobs and training opportunities. Flat lining growth in the bus system risks further entrenching inequality by making it harder for the poorest communities, including a disproportionate number from ethnic minorities, to easily access jobs.

We would therefore seek to require TfL to audit the bus network to ensure that access to the public transport network does not leave any community behind. We would also ensure that any proposed new bus routes, or changes to existing bus routes, are supported by a Public Transport Accessibility Level statement that will show how the changes to the bus network will affect those communities on its route.

As part of this review, we would also require TfL to improve connections to our hospitals and health services.

The London Assembly Transport Committee has recommended that, "By March 2014 the Mayor and TfL should report on their work with NHS providers including through the London Health Board to plan for good public transport access at each London hospital and major health centre now and after NHS reconfigurations"⁴³⁰

In response the Mayor did not commit to producing such a report, and indeed nothing has been produced to date.⁴³¹ We know that access to our dwindling number of hospitals is not serving the needs of Londoners. We would therefore seek to ensure that all our hospitals are well connected.

⁴²⁹ London Assembly Transport Committee (5th December 2012) [Question and Answer Session with Transport for London](#), Date retrieved: 18.09.14

⁴³⁰ London Assembly Transport Committee, (28th October 2013) [Bus Services in London](#), Date retrieved: 13.01.14

⁴³¹ Boris Johnson (14th May 2014), [Response to the London Assembly Transport Committee's Report](#), Date retrieved: 25.09.14

The Mayor's plans do not go far enough. 500 buses over 10 years is only 50 extra buses a year. London Assembly Labour Members would therefore seek to boost that number and introduce a further 30 more buses into the network to increase capacity. Along with new routes serving the capital's hospitals, we hope that will be 'just what the doctor ordered'. Assuming a cost of £300,000 per hybrid bus, this proposal would cost **£9m** in 2015-16.

11.3 Cleaning up the Bus Fleet

Air pollution is a major public health problem facing London causing over 4,000 premature deaths every year⁴³². Annual average levels of NO₂ in Oxford Street and Brompton Road are well over twice legal limits⁴³³. London has the highest levels of NO₂ of any capital city in Europe.⁴³⁴

The Mayor claims that, since 2008, emissions of PM₁₀ and PM 2.5 have been reduced by 15% and emissions of NO_x have been reduced by 20%⁴³⁵ - but these are estimates from computer models and do not reflect the reality. London has among the worst air pollution of any capital city in Europe.⁴³⁶

The Mayor's Air Quality Strategy says: "Across Greater London, buses are estimated to contribute 21 per cent of road transport emissions in 2008, and just under 30 per cent in 2015. However, when looking at road transport emissions within central London, buses become the most significant source of NO_x emissions at around 40 per cent in 2008, growing to just below 50 per cent in 2015."⁴³⁷

The results of these increases are clear. The Government's Air Quality Strategy revealed that long term exposure to PM_{2.5} can lead to an average reduction in life expectancy of 6 months.⁴³⁸

Nationally, there were more premature deaths as a result of exposure to PM_{2.5} in 2008 than were killed in road traffic collisions in 2009. (29,000 versus 2,222)⁴³⁹. In Greater London in 2008 it is estimated there were as many as 4,267 deaths attributable to long term exposure to small particles⁴⁴⁰

The greatest burden falls on the young and the elderly and those with existing respiratory conditions and chronic illnesses. It can also have a serious adverse outcome in pregnancy. The

⁴³² The Guardian (30th June 2010), [Air pollution leads to premature deaths of more than 4,000 Londoners a year](#), Date retrieved: 25.09.14

⁴³³ Clean Air in London, (24th June 2013) [Carcinogenic diesel exhaust disclosed for every significant road in London](#), Date retrieved: 13.01.14

⁴³⁴ Clean Air in London, (24th June 2013) [Carcinogenic diesel exhaust disclosed for every significant road in London](#), Date retrieved: 13.01.14

⁴³⁵ Full Fact (2nd May 2012), [Does London have the worst air quality in Europe?](#), Date retrieved: 13.01.14 & Murad Qureshi AM Press Release (13th February 2013) [London's air quality kicked into the long grass](#), Date retrieved: 13.01.14

⁴³⁶ Full Fact (2nd May 2012), [Does London have the worst air quality in Europe?](#), Date retrieved: 13.01.14 & Murad Qureshi AM Press Release (13th February 2013) [London's air quality kicked into the long grass](#), Date retrieved: 13.01.14

⁴³⁷ The Mayor's [Air Quality Strategy](#) p.44

⁴³⁸ Greater London Authority (17th June 2013) [Air Quality in Enfield, A Guide For Public Health](#) p.12 Date retrieved: 13.01.14

⁴³⁹ Greater London Authority (17th June 2013) [Air Quality in Enfield, A Guide For Public Health](#) p.13 Date retrieved: 13.01.14

⁴⁴⁰ The Guardian (30th June 2010), [Air pollution leads to premature deaths of more than 4,000 Londoners a year](#), Date retrieved: 25.09.14

BMA have presented evidence linking air pollution to low birth weight, increasing the risk of developing chronic diseases in later life and altering emotional responses and impairing cognition.⁴⁴¹

This is an issue of equality. There is extensive evidence of a link between areas of high deprivation and pollution with those living in the more deprived areas being exposed to higher concentrations of air pollution.⁴⁴²

We know that in 2014/15 and 2015/16 TfL plan to have retrofitted 1,800 Euro III buses so that they are of a Euro IV standard in NOx and PM10⁴⁴³. This will mean that by December 2015 no bus in London will be less than Euro IV. But is that good enough?

The Euro IV standard came into effect in October 2005 and the Euro V standard came into effect in October 2008. Given that the latest Euro VI standard came into effect on 31st December 2013, why are we not requiring all buses meet it? The answer is money.

At the moment every brand new bus tender requires the bus company to use the latest Euro VI buses. Those tenders stipulate that the bus contracts are let out for 5 years, with an option for an extra 2 years if certain criteria are met. TfL then will usually allow operators to use the same buses if the contract is renewed. Again for 5 years plus 2 years. This means that bus operators use the buses for 10-14 years, at which point they are then free to deploy the buses to their other operations outside London.

We know the bus company will either buy the buses directly or lease them. Either way the cost of purchasing the bus is spread out over the 5 year contract. To attempt to spread the purchase cost over 7 years or 14 years is risky as the company may be out of pocket if they do not meet the criteria to extend to 7 years or get the further 5 year renewal.

So what if require all buses meet the latest Euro standard whenever a contract is extended or renewed? Looking at the age of the buses we can see what effect a change in policy would have.

Number	Year Registered	14 Year Retirement	7 Year Retirement	5 Year Retirement
166	2001	2015	2008	2006
561	2002	2016	2009	2007
1,028	2003	2017	2010	2008
543	2004	2018	2011	2009
442	2005	2019	2012	2010
437	2006	2020	2013	2011
336	2007	2021	2014	2012
442	2008	2022	2015	2013
1,097	2009	2023	2016	2014
861	2010	2024	2017	2015

⁴⁴¹ Greater London Authority (17th June 2013) [Air Quality in Enfield, A Guide For Public Health](#) p.13 Date retrieved: 13.01.14

⁴⁴² Greater London Authority (17th June 2013) [Air Quality in Enfield, A Guide For Public Health](#) p.14 Date retrieved: 13.01.14

⁴⁴³ TfL, (19th September 2014), [Mayor & TfL expand Europe's greenest bus fleet](#), Date retrieved 17.12.2014

1,143	2011	2025	2018	2016
962	2012	2026	2019	2017
604	2013	2027	2020	2018
87	2014	2028	2021	2014
	2015 Retirements	166	3,789	5,747

It is clear then, that requiring bus companies to retire their vehicles from London's streets and replace them with the latest Euro Standard buses would have a massive effect on air quality in London.

Our objective is to initiate research into the cost and implementation of a life policy for buses that would be set at a 7 year period and begin the process of retiring buses that would ensure buses in London are no older than those registered in 2008. We would **dedicate £100,000** to begin a research project into cleaning up bus fleets.

11.4 Freeze fares for 2015/2016

London Assembly Labour Members believe that the Mayor is putting even more strain on those already struggling to cope with living costs far outstripping wage growth. Labour would seek to help Londoners by **freezing fares for 2015/16**, foregoing the 2.5% increase in the fares which Boris Johnson has already announced.

This year 80% of London's workforce who are full time will see an increase in their annual travelcard of between 2.1% and 2.5%. This will be the seventh increase in fares in a row under the Mayor. An annual 1-6 travelcard will now see a £56 increase, while a monthly Zone 1-6 sees a £5.40 increase. On buses, which have seen a 47% rise since the Mayor took office, passengers are being hit yet again this year with 5p fare rise – taking a single bus journey up to £1.50.

In his 2012 Manifesto – the Mayor claimed that his transparency and honesty in terms of transport fares would benefit all Londoners and promised he would be “cutting waste at TfL” in order to “keep fares low in the long term”⁴⁴⁴. However over the course of the last 7 years Londoners have seen fares rise at a rate of 40%, which is 16% above the rate of inflation, and all the while the Mayor fritters millions from TfL into vanity projects.

In a time where Londoners face freezes in wages and yet see an increasing cost of living, affordable transport has never been more important. London Assembly Labour Members have found in their investigation *'The Case for a Fare Freeze'*, that 76% of Londoners find their travel costs are 'too high'⁴⁴⁵. This is a result of the fact that the Mayor has consistently denied this 76% a transport system that is affordable, meaning that millions face difficulty in accessing the huge social and economic benefits that London can provide.

The cost of transport is a significant and often unavoidable expense for Londoners, and as such we propose that the Mayor ease the consistently rising pressure on passengers and freeze fares between 2015/16 at the rate of 2014/15 fares. London Labour Assembly Members estimate that this would cost **£98 million**. While a new Mayor will be elected into office in 2016, and will most likely review the fares system within their own agenda, freezing the fares for the Mayor's final year of office would ease the burden of transport cost on all Londoners. This is kind of legacy the Mayor should be aiming for.

⁴⁴⁴ Boris Johnson 'Investing In Transport', 2012, p.20

⁴⁴⁵ V. Shawcross, 'The Case for a Fare Freeze', 2015, pg. 4, Accessed 09/01/2015

Moreover, while the rise in fares this year has been described by the Mayor as being a ‘freeze in fares in real terms’, this is simply not the case. There have in fact been significant rises in fares for those in Zones 4-6, who have had their off-peak daily caps scrapped in favour of decreasing peak daily caps overall.

11.5 Fund for the Restoration of Off-Peak Discount

The Mayor’s 2015/2016 budget has outlined changes to tube fares that will act as a benefit to some Londoners, but certainly not to all. We welcome that Transport for London has lowered Pay as you Go caps, rectifying the disadvantage to 20% of London’s workforce in part-time or flexible work, who were paying significantly more in travel fares than full time workers on weekly travel cards.

However while this rectifies one disadvantage, it creates another. The costs of these changes are estimated to be £30 million⁴⁴⁶ which has been funded by eliminating the off-peak cap for Zones 4-6 and increasing the cost of paper travelcards. We would ease the financial burden of affected passengers by dedicating **£20 million** to offset these increases. £10m of this would be cover the entire cost of restoring the off-peak PAYG cap to its 2014 rate⁴⁴⁷, and the other £10m would be put towards partially offsetting the increase in the cost of paper travelcards.

To offset the reduction in revenue in daily caps the Mayor has made significant increases to off- peak fares from outside Zone 3. This ‘restructuring’ of off-peak PAYG fares is a classic ‘robbing Peter to pay Paul’ and means putting an end to the lower off-peak Pay as you Go caps.⁴⁴⁸

This decision means that all adult off-peak caps from Zones 4, 5 and 6 to 1 and customers will pay the new daily caps. This means that Zone 1-4 off-peak commuters will see their cap go up by **19% to £9.20**, zone 1-5 goes up **28% to £10.90** & zone 1-6 goes up **38% to £11.70**.

The increase in Zone 1-6 off peak fares **by 38%** mean that a commuter in Zone 6 could be paying an **extra £158 a year** in travel fares.

Case Study: Zone 1 -6

A cleaner living in Uxbridge (Zone 6) works evenings in an office in Kings Cross (Zone 1) travelling at off peak hours 5 times a week. She has one bus journey at the start of her journey and one at the end. This would have previously been capped at £8.50 but now costs her £9.20.

Across the 45 weeks a year that she is working she will now pay an **increase of £158** on her fares last year. She would not save any money using annual travelcard as this would cost an extra £274 a year. Either way, this passenger is significantly worse off than she was previously

⁴⁴⁶ Correspondence with Assistant Director Group Finance David Gallie, 26.01.2015, available on request

⁴⁴⁷ Correspondence with Assistant Director Group Finance David Gallie, 26.01.2015, available on request

⁴⁴⁸ Transport for London ‘[Briefing Note for Mayor: Proposals for January 2015 Fares](#)’, p. 5 29th October 2014. Accessed 08/01/2015

There is a hugely detrimental effect for Londoners across zones 4-6. This rise in fares directly affects **25,000 people**⁴⁴⁹.

Instead of eliminating off peak caps, the Mayor should have invested in the lives of passengers in outer London who should not feel they cannot access vital economic and social resources in inner London because of rising costs of fares. This would add **£20 million** to our proposed budget amendment, which would fully restore the off-peak PAYG caps to their 2014 level, and partially offset the paper travelcard increases to ease the financial burden on London's passengers. While Sir Peter Hendy claimed "it is inevitable there will be winners and losers"⁴⁵⁰ but it is well within TfL's budget ability to prevent this from being the case.

11.6 Reducing the Difference in Oyster Card and Contactless Payment

London Assembly Labour Members also have concerns regarding TfL's introduction of weekly capping on Contactless but not Oyster, which only has daily caps. This means that those using Oyster are left paying significantly more.

For example, a peak-time commuter who hits the daily cap travelling between zones 4 and 7 for example would pay £19.60 a day using Oyster. On Contactless this would only cost £29.40 for a whole week meaning savings of £91.80 over Oyster if they were to hit the daily cap for a whole week. For those only commuting Monday to Friday, the saving on Contactless would still be £68.60. London Assembly Labour Members would instruct TfL to offer the same weekly caps to Oyster card users

We believe that our measures will help those in most need to access education & employment opportunities and provide some respite against the fare rises under this Mayor.

11.7 More Step Free Stations

We welcome the Mayors Accessibility Implementation Plan that says "it is envisaged that around 40 further step-free stations are required to ensure a relatively even spatial coverage of step-free stations in London" and that by 2031 around 60 per cent of all stations in London will be step-free.⁴⁵¹

Disappointingly the Mayors London Infrastructure Plan 2050 aimed for two thirds of public transport journeys to be step free by 2050.⁴⁵² We believe that by 2050 all public transport journeys should be step free and it is unacceptable for the Mayor not to be creating a city that is accessible to all Londoners. However, this lack of vision is not surprising given the Mayor's work to date.

55 out of 270 London Underground Stations were step free when the Mayor came to power in 2008. Since then he has only added 11 stations to that list.⁴⁵³ A paltry increase of just 4%!

⁴⁴⁹ S. Verma, quoted in The Independent [‘Thousands of Tube and rail passengers face fare increase from next year’](#) 13th November 2014

⁴⁵⁰ Sir Peter Hendy, [Budget and Performance Committee meeting](#) transcript, January 8th 2014, p.6

⁴⁵¹ TfL, (March 2012), [Taking forward the Mayor's Transport Strategy Accessibility Implementation Plan](#), Date retrieved: 22.09.14

⁴⁵² Mayor of London, [London Infrastructure Plan 2050](#), Pg. 40, Date retrieved: 22.09.14

⁴⁵³ Under the Mayor the following 11 stations have been made step free: Hainault, High Barnet, Edgware, Southfields, King's Cross St. Pancras, Kingsbury, Blackfriars, Green Park, Wembley Central, Heathrow Terminals 1 2 3 & Farringdon. Greenford, Vauxhall & Tower Hill are due to be made step-free by the time the Mayor leaves office.

The Mayor has used manual boarding ramps at 8 underground stations, but we feel that a lot more stations would benefit from these ramps to allow passengers to use the station or to aid interchanging.⁴⁵⁴ We would therefore instruct TfL to audit every tube station and ensure that manual boarding ramps are installed at all viable locations. We would also look to look at whether stair lifts and improved signage at our stations will aid passengers with access needs.

It is obvious that the Mayor has made a decision to keep the tube network a largely no go area for those with access needs, both in 2014 and in 2050 as well. We therefore propose to speed up the creation of the step free stations. We plan to devote an extra **£45m** to the step-free programme this year to increase the amount of accessible stations Londoners can use.

11.8 Re-prioritising cycling

We know that this Mayor has spent at least £150m less on cycling than he intended to between 2008/9 and 2013/14. This is something that his Transport Commissioner, Sir Peter Hendy, called a “major embarrassment”.⁴⁵⁵ TfL is currently forecasting an underspend of £11 million on its 2014-15 cycling budget of £82 million, following an underspend of £26 million on its cycling budget of £99 million in 2013-14.⁴⁵⁶

We also know that a number of cycling projects have been mishandled under this Mayor. The Better Junctions programme began on 20th July 2012 when a review of 500 junctions was completed and 100 junctions were prioritised for work. In June 2014 they reduced the number of junctions they were going to fix from 100 to just 33 only 10 of which that will be completed by May 2016. We would ensure that more than 10 dangerous junctions are fixed.

On cycle superhighways only four of the original twelve routes have been completed and only 7 Quietway routes will be delivered before the Mayor leaves office. We would ensure that safe segregated cycle superhighways were created across London.

Kingston, Enfield & Waltham Forest have all been given funding to create mini-Holland schemes in their boroughs, but what about the other 29 boroughs? We would ensure funding so every borough has a mini-Holland scheme.

Finally, we would work with boroughs to ensure that there was increased Local Implementation plan funding for cycling and walking schemes.

We also know that cycling comprise of 2% of all trips in London, but less than 2% of TfL’s budget is spent on it. Given the Mayor wants to increase the share to 5% by 2025 we think he needs to devote more resources to making it a viable alternative for Londoners.⁴⁵⁷

We would therefore seek to ensure that the cycling budget for future years is equal to 2% of the TfL budget and that underspends become a thing of the past. As the 2014/15 TfL budget is £11.1Bn⁴⁵⁸ we would expect the cycling share of that to be £223m. Given that the 2014/15

⁴⁵⁴ TfL, [Assistance for disabled customers travelling on London Underground](#), date retrieved 22.09.14

⁴⁵⁵ Sir Peter Hendy, (12 March 2014), [Pg. 38 London Assembly Transport Committee](#), date retrieved 22.09.14

⁴⁵⁶ TfL Board Paper, [Operational and Financial Performance and Investment Programme Reports – Second Quarter, 2014/15](#), page 26.

⁴⁵⁷ TfL, (5th February 2013), [Cycling Vision Portfolio](#), date retrieved 22.09.14

⁴⁵⁸ The £11.1Bn budget is made up of Total revenue grants £1,561m, Investment grant £925m, Other capital grants £141m, Crossrail funding sources £893m, Fares £4,667m, Other operating income £631m & Net borrowing and cash movements £2,330m. Therefore the total is £11,148m.

budget for cycling is only £184m⁴⁵⁹ we would seek to increase that by **£20m** as a part of a two year programme, reaching the target of £223m by the year 2016/17.

11.9 Zero Tolerance of Road Deaths

The Mayor of New York City has recently announced that the city will adopt the Vision Zero approach to reducing road danger, with the ultimate goal of ending road traffic death and injury.

The London Assembly Transport Committee has recommended that the Mayor adopts the Vision Zero approach to eliminating road death and injury. Their report “Feet First: Improving Pedestrian Safety in London” explains the principles behind Vision Zero

“The Vision Zero concept is a zero-tolerance approach to road danger. The core belief underpinning the strategy is that traffic fatality is not acceptable or inevitable. Vision Zero incorporates four key principles:

- **Safety:** road traffic systems should take account of the fact that people make mistakes and should minimise both the opportunity for error and the harm done when they do occur.
- **Ethics:** human life and health take priority over mobility and other objectives of the transport system.
- **Responsibility:** those who design and manage road systems share responsibility with road users.
- **Mechanisms for change:** road designers and managers must do their utmost to guarantee the safety of all citizens, they must cooperate with road users, and all three must be ready to change to achieve safety.

Vision Zero combines strong enforcement of traffic law and better roadway engineering with campaigns to discourage dangerous behaviour on roads. It also aims to raise the profile of traffic safety problems and help change cultural attitudes to road death and injury.”

The report goes on to say, “It is not clear how much money TfL intends to spend on improving pedestrian safety. TfL has said that there will be no specific budget assigned to the delivery of its forthcoming Pedestrian Safety Action Plan. Without a clear funding allocation for the Action Plan, we are concerned that pedestrian safety projects will be side-lined when resources are stretched, or other priorities are identified. It will also make it difficult to assess whether promised investments to improve pedestrian safety are being made.”

The London Assembly Labour Group supports the Vision Zero concept. We would instruct TfL to assign a specific budget to pedestrian safety projects and would devote an extra **£10m** towards making the vision a reality.

11.10 Sustainable Aviation Fund

In August 2013 Val Shawcross, as chair of the London Assembly Transport Committee, wrote to Sir Howard Davies about surface access to London’s airports.⁴⁶⁰ The letter built on the findings of London Assembly Transport Committee’s report into aviation capacity in London.⁴⁶¹

⁴⁵⁹ London Assembly (21 October 2014) Budget Monitoring Sub-Committee Briefing Paper

⁴⁶⁰ Val Shawcross (29th August 2013), [London Assembly Transport Committee submission on surface transport access at airports](#), date retrieved: 24.09.14

⁴⁶¹ London Assembly Transport Committee, (29th April 2014), [Airport Capacity in London](#), date retrieved 22.09.14

We welcome the fact that the Oyster network is being extended to Gatwick & Luton Airports and we believe it should also be extended to Stansted and Southend Airports. We also believe that the Mayor should be doing much more to improve surface access to the airports that Londoners rely on.

His London Infrastructure Plan 2050 focusses heavily on surface access for an Estuary airport that has not been shortlisted by the Davies Commission. His only mention of surface access improvements to existing airports is “four-tracking of the West Anglia Main Line to improve access to Stansted”. What about the surface access needs of our other airports?

We would like to set up an **£10m** aviation fund to begin looking into surface access needs and working up firm proposals for improved transport links for Londoners to their local airports.

We would also like to use the fund to look at ways of reducing air pollution levels at the London based airports, most notably Heathrow. Some pollution will be caused by the planes, some will be caused by the vehicles used in the airport and some will be caused by vehicles visiting the airport, such as private cars, taxis and buses.

One of the tools available to the Mayor is ensuring that his proposed Ultra Low Emissions Zone covers the area around Heathrow airport to prevent polluting vehicles from entering it. We would want to use the fund to examine this proposal in more detail to ensure that it provided the best way to reduce pollution at our airports.

11.11 Supporting the Taxi Trade

We know there are 458 Transport for London (TfL) appointed taxi ranks in London comprising of a total of 2,024 spaces. There are additional ranks on private land, such as hotels and railway stations.

Despite the number we are concerned that not every rail, underground & DLR station will have a taxi rank close by to aid people’s onward journeys. This will be especially important when the night tube is launched in 2015. We know from the London Assembly Transport Committee Report, Future Proof – Taxi and Private Hire Services in London, that 77 of the tube stations served by the night tube do not have a taxi rank within 250m of them.

Given it costs between £2,000 and £10,000 to appoint a new taxi rank, we would ensure that all stations are covered and would allocate **£770,000** to appoint 77 taxi ranks.

We are also concerned with the low number of TfL officers who are fighting taxi touting. We know there are 68 dedicated TPH enforcement officers in the cab enforcement unit, and 34 compliance officers, plus 3 managers. We know that New York City is planning to raise the number of enforcement officers they employ to 250. We would expect to see a similar number of officers in London.

11.12 Affordable Plan

Labour Assembly Members’ plans to increase spending on necessary projects will not result in any spending reductions in other areas, as we shall be drawing on TfL’s significant operational and capital reserves.

Rather than accumulate these surpluses up as General Balances or pay off debts earlier than planned, Labour would direct these resources to bringing financial relief to cash strapped passengers during the recession and improving the safety and accessibility of the journeys passengers, cyclists and pedestrians enjoy.

Under the Mayor's first five budgets⁴⁶² Operating expenditure (net of third party contributions) has been 3.69% (£1,069m) less than expected & TfL have underestimated the level of fares income by 1.36% (£235m).

While we recognise that in 2014/15 TfL have reported a lower than expected rate of fares income so far, there have been significant underspends in Operating Expenditure.

In the year 2014-15 we can expect underspends in Operating Expenditure of £81m⁴⁶³. In addition to this there have underspends in Net Capital Expenditure of £35m⁴⁶⁴. Capital underspends would be dedicated to Capital projects, this would therefore be used to fund Step free Stations and Modernising the Bus Fleet. To incorporate Re-prioritising Cycling we would also use £19m from the substantial £1,797m⁴⁶⁵ in Reserves.

We also recognise that Transport for London performs well every year on achieving over and above savings targets. Last year TfL reported savings of £188 million, a 37% above their target of £137 million⁴⁶⁶ in 2013/14. We expect that TfL can easily exceed its saving target in the financial year 2014/15.

Indeed TfL seem to agree. In response to a question as to whether or not TfL could have 'hit harder' on savings targets⁴⁶⁷ - Vice Chair of TfL, Isabel Dedring, replied:

*"Yes, I think we can go beyond this. Every year we are going beyond what we have the year before. Therefore it is a matter of continuing that in this year."*⁴⁶⁸

While we acknowledge that overachievements in saving targets are a good thing, London Labour Assembly members do not want this to be allowed to happen merely by accident. We therefore propose to raise the savings target.

In the financial year of 2015-16, TfL aims to save £209 million. We would propose to raise the savings target by 28% in order to make the **£58 million** needed to fund our budget proposals. There have been consistent year on year overachievement in savings, and thus we would redirect the money saved in these areas into our proposed projects.

Our budget proposals would therefore be funded by £81m in operational expenditure underspends, redirecting reserves of £19m and capital underspends £35m into our capital projects and from the £58m gained in raising the savings target.

⁴⁶² TfL, [Financial Tables 2000/1 to 2020/21](#), date retrieved 22.09.14

⁴⁶³ Transport for London, Finance and Policy Committee papers, '[TfL's quarterly finance, investment and operational performance reports](#)', p.9, 2014

⁴⁶⁴ Transport for London, Finance and Policy Committee papers, '[TfL's quarterly finance, investment and operational performance reports](#)', p.9, 2014

⁴⁶⁵ Greater London Authority, [Group Budget Proposal and Precepts 2015-16 Consultation Document](#), p.39 2014

⁴⁶⁶ London Assembly, Budget and Performance Committee, Briefing Paper, 8th January 2015, p. 3

⁴⁶⁷ J. Biggs, Budget and Performance Committee, [Minutes Appendix 1, January 8th 2015, Transcript](#) pg. 21

⁴⁶⁸ I. Dedring, Budget and Performance Committee, [Minutes Appendix 1, January 8th 2015, Transcript](#) pg. 21

PART B

Proposal to approve, with amendments, the Draft Consolidated Budget for the 2015-16 financial year for the Greater London Authority and the Functional Bodies.

RECOMMENDATIONS:

FORMAL BUDGET AMENDMENT

1. The Mayor's draft consolidated budget (together with the component budgets comprised within it) for 2015-16 be amended by the sum(s) shown in column number 3 of the table for each constituent body, as set out and in accordance with the attached Schedule.

(These sums are the calculations under sections 85(4) to (8) of the Greater London Authority Act 1999 (as amended) ('The GLA Act') which give rise to each of the amounts mentioned in recommendations 2 and 3 below.)

2. The calculations referred to in recommendation 1 above, give rise to a component council tax requirement for 2015-16 for each constituent body as follows:

<i>Constituent body</i>	Component council tax requirement
Greater London Authority: Mayor of London	£75,891,766
Greater London Authority: London Assembly	£2,615,000
Mayor's Office for Policing and Crime	£564,166,354
London Fire and Emergency Planning Authority	£138,190,000
Transport for London	£6,000,000
London Legacy Development Corporation	£NIL

3. The component council tax requirements shown in recommendation 2 above, give rise to a consolidated council tax requirement for the Authority for 2015-16 (shown at Line 85 in the attached Schedule) of **£786,863,120**.

BUDGET RELATED MOTIONS

3. [WHERE APPLICABLE, INSERT ANY OTHER BUDGET RELATED MOTIONS REQUIRED]

NOTES:

Assembly's powers of budget amendment

- a. The Mayor is required to set a consolidated and component council tax requirement and it is this amount which the Assembly has the power to amend. The council tax requirement equates to the amount which will be allocated to the Mayor, the Assembly and for each functional body from the Mayor's council tax precept. These individual functional body requirements are consolidated to form the consolidated council tax requirement for the GLA Group.
- b. A simple majority of votes cast by Assembly Members is required to approve any amendment to recommendations (1) to (3) above concerning the Draft Consolidated Budget; abstentions are not counted.
- c. To approve the Draft Consolidated Budget, without amendment, only a simple majority of votes cast is required. Again, abstentions are not counted.
- d. Lines 4 (GLA Mayor), 18 (Assembly), 32 (MOPAC), 46 (LFEPA), 60 (TfL) and 74 (LLDC) within the expenditure estimates are used to allocate any revenue account deficit being met from reserves relating to a prior financial year. Under the Mayor's proposals the GLA (Mayoral) component budget (line 4) includes the GLA's share of the aggregate current forecast net collection fund deficit at 31 March 2015 in respect of retained business rates. This is nominally allocated to the GLA in line with accounting practice as the precepting authority but in principle the deficit can be attributed to any component budget. The forecast net collection fund surplus reported by billing authorities for council tax in respect of 2014-15 is treated as an income item (see section e below).
- e. The income estimates are calculated under section 85 5(a) of the GLA Act and are presented in five parts within the statutory calculations:
 - Income not in respect of Government grant, retained business rates or council tax precept. This includes fare revenues; congestion charging income; the Crossrail Business rate supplement; the sums receivable in non-domestic rates from London billing authorities required to meet the GLA's fixed tariff payment under rates retention; and all other income not received from central government, through the council tax precept or for *retained* business rates. (line 6 for the Mayor, line 20 for the Assembly, line 34 for MOPAC, line 48 for LFEPA, line 62 for TfL, and line 76 for the LLDC);
 - Income in respect of specific and special government grants. This includes those grants which are not regarded as general grants and are nominally paid for specific purposes. This includes Home Office specific grants for MOPAC including counter-terrorism funding, the council tax freeze grant for the GLA and other grants paid for specific purposes to the GLA, LFEPA and TfL (line 7 for the Mayor, line 21 for the Assembly, line 35 for MOPAC, line 49 for LFEPA, line 63 for TfL, and line 77 for the LLDC);
 - Income in respect of general government grants. In 2015-16 this comprises Revenue Support Grant, the general element only of the GLA Transport Grant payable for the purposes of Transport for London and for - MOPAC only - core Home Office police and principal police formula grant (line 8 for the Mayor, line 22 for the Assembly, line 36 for MOPAC, line 50 for LFEPA, line 64 for TfL, and line 78 for the LLDC). Home Office policing and principal police formula grant reported on line 36 can only be applied to the MOPAC component budget and the general transport grant figure on line 64 for TfL can only be applied for its purposes;
 - Income in respect of retained business rates including estimated related section 31 grant income payable by the Secretary of State under the Local Government Act 2003 (line 9 for the Mayor, line 23 for the Assembly, line 37 for MOPAC, line 51 for LFEPA, line 65 for TfL, and line

79 for the LLDC). This excludes the sum receivable in non domestic rates required to meet the fixed tariff payment to central government which is treated as general income as above; and

- The GLA's estimated share of any aggregate forecast net collection fund surplus at 31 March 2015 reported by the 33 London billing authorities in respect of either council tax and/or retained business rates. This is nominally allocated to the GLA in line with accounting practice but in principle the surplus can be attributed to any component budget. For the draft budget this figure reflects the GLA forecast share of the forecast net collection fund surplus for 2014-15 in respect of council tax only as the retained business rates forecast is reported on line 4 as it is forecast to be a deficit (line 10 for the Mayor, line 24 for the Assembly, line 38 for MOPAC, line 52 for LFEPA, line 66 for TfL, and line 80 for the LLDC).

- f. A subtotal for income items before the use of reserves (line 11 for the Mayor, line 25 for the Assembly, line 39 for MOPAC, line 53 for LFEPA, line 67 for TfL, and line 81 for the LLDC) is included in the proforma and must also be amended to reflect the sum of any amendments made to the income items listed in paragraph d above.
- g. The proposed use of reserves to meet expenditure is recorded in lines 12 (Mayor), 26 (Assembly), 40 (MOPAC), 54 (LFEPA), 68 (TfL) and 82 (LLDC). The overall income total including the use of reserves and the sum of the income items from paragraph e is recorded in lines 13 (Mayor), 27 (Assembly), 41 (MOPAC), 55 (LFEPA), 69 (TfL) and 83 (LLDC) – and again this must also be amended to reflect the sum of any amendments made to the income items described in paragraphs d and e above.

Council tax base and GLA Share of Billing Authority Collection Fund Surpluses or Deficits

- h. The council tax requirements are calculated using the 2014-15 approved council taxbases for the 33 London billing authorities – 2,636,089 Band D equivalent properties for non police services and 2,629,901 for police services (i.e. excluding the taxbase for the City of London). The Mayor's final draft budget will incorporate the effect of the approved billing authority council taxbases and the GLA's forecast share of retained business rates income for 2015-16 alongside the forecast collection fund surpluses or deficits in respect of retained business rates and council tax for 2014-15 which are recoverable in 2015-16 through an adjustment to the instalments payable to the GLA by billing authorities.

Compliance with Council Tax "Excessiveness Principles" Set by the Secretary of State

- i. A Band D council tax for non police services in the City of London (the unadjusted basic amount of council tax applying in the City) which exceeds £86.16 and/ or a total council tax elsewhere (the adjusted basic amount applying in the 32 London boroughs) which exceeds £304.97 would be regarded as "excessive" under the principles announced by the Secretary of State and expected to be approved by Parliament. This is because a higher Band D amount in either case will result in an increase at or above the 2% threshold proposed by the Secretary of State, in which case the increase is regarded "excessive," thereby triggering (in either or both cases as applicable) the requirement to hold a council tax referendum of local government electors across the whole of Greater London. The final excessiveness principles are subject to approval by Parliament in early February 2015.
- j. Assembly Groups should therefore seek advice should they wish to propose amendments which have the effect of increasing the precept compared to the figures proposed by the Mayor of £80.48 (the unadjusted amount of council tax in the City) and £295.00 (the adjusted amount in the 32 boroughs) as it is possible that the amendment could breach the excessiveness principles both on the percentage increase and on the apportionment of any additional council tax precept income between police and non police services. If the amendment is likely to result in a council tax regarded as excessive under these principles it should state within the supporting text that this is the case.
- k. If an amendment resulting in an "excessive" council tax is passed at the 23 February meeting at which the final draft budget is to be considered, the Assembly is also required to approve an alternative default or 'substitute' budget that is compliant with the excessiveness principles and which would become the budget should any resulting referendum not be passed – in effect one consistent with an unadjusted council tax of £86.16 (in the area of the Common Council of the City of London) and/or an adjusted council tax of £304.97 (in the 32 London Boroughs) depending on

which (or both) is/are “excessive”. Part 3 of the Mayor’s draft budget proposals provides advice to Assembly members on Council tax referendum issues.

Old Oak Common and Park Royal Development Corporation

- I Legislation to set up the Old Oak Common and Park Royal Development Corporation (OPDC) is expected to be laid before Parliament in early 2015 and the corporation is expected to come into existence on 1 April 2015 as a Mayoral Development Corporation and a functional body. However as the OPDC is not constituted at the date the budget is being set the OPDC is not regarded a constituent body for the purposes of sections 85 to 99 of the Act. The funding allocated to the proposed OPDC in respect of 2015-16 therefore forms part of the GLA (Mayor) component budget.

SCHEDULE

Part 1: Greater London Authority: Mayor of London ("Mayor") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's Proposal	Budget amendment	Description
1	£704,700,000	£792,153,000	estimated expenditure of the Mayor for the year calculated in accordance with s85(4)(a) of the GLA Act
2	£4,800,000	£	estimated allowance for contingencies for the Mayor under s85(4)(b) of the GLA Act
3	£0	£	estimated reserves to be raised for meeting future expenditure of the Mayor under s85(4)(c) of the GLA Act
4	£40,220,481	£	estimate of reserves to meet a revenue account deficit of the Mayor under s85(4)(d) of the GLA Act reflecting the collection fund deficit for retained business rates
5	£749,720,481	£837,173,481	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the Mayor (lines (1) + (2) + (3) + (4) above)
6	-£479,600,000	-£	estimate of the Mayor's income <u>not</u> in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
7	-£14,500,000	-£	estimate of the Mayor's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
8	-£41,733,950	-£	estimate of the Mayor's income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
9	-£76,579,119	-£153,487,765	estimate of the Mayor's income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
10	-£5,600,000	-£	estimate of the Mayor's share of any net collection fund surplus for the 33 London billing authorities for council tax calculated in accordance with s85(5)(a) of the GLA Act
11	-£618,013,069	-£694,921,715	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (6) + (7) + (8) + (9) + (10))
12	-£66,360,000	-£	estimate of Mayor's reserves to be used in meeting amounts in line 5 above under s85(5)(b) of the GLA Act
13	-£684,373,069	-£761,281,715	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for the Mayor (lines (11) + (12) above)
14	£65,347,412	£75,891,766	the component council tax requirement for the Mayor (being the amount by which the aggregate at (5) above exceeds the aggregate at (13) above calculated in accordance with section 85(6) of the GLA Act)

The draft component council tax requirement for the Mayor for 2015-16 (line 14 col 3) is: £75,891,766

Part 2: Greater London Authority: London Assembly (“Assembly”) draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If “nil” or “£0” is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor’s proposal	Budget amendment	Description
15	£7,610,000	£	estimated expenditure of the Assembly for the year calculated in accordance with s85(4)(a) of the GLA Act
16	£0	£	estimated allowance for contingencies for the Assembly under s85(4)(b) of the GLA Act
17	£0	£	estimated reserves to be raised for meeting future expenditure of the Assembly under s85(4)(c) of the GLA Act
18	£0	£	estimate of reserves to meet a revenue account deficit of the Assembly under s85(4)(d) of the GLA Act
19	£7,610,000	£	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the Assembly (lines (15) + (16) + (17) + (18) above)
20	-£400,000	-£	estimate of the Assembly’s income <u>not</u> in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
21	£0	-£	estimate of the Assembly’s special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
22	-£2,541,000	-£	estimate of the Assembly’s income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
23	-£2,054,000	-£	estimate of the Assembly’s income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
24	£0	-£	estimate of the Assembly’s share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
25	-£4,995,000	-£	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (line (20) + (21) + (22) + (23) + (24))
26	£0	-£	estimate of Assembly’s reserves to be used in meeting amounts in lines 19 above under s85(5)(b) of the GLA Act
27	-£4,995,000	-£	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for the Assembly (lines (25) + (26) above)
28	£2,615,000	£	the component council tax requirement for the Assembly (being the amount by which the aggregate at (19) above exceeds the aggregate at (27) above calculated in accordance with section 85(6) of the GLA Act)

The draft component council tax requirement for the Assembly for 2015-16 (line 28 col 3) is: £2,615,000

Part 3: Mayor's Office for Policing and Crime ("MOPAC") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's proposal	Budget amendment	Description
29	£3,159,766,354	£3,210,979,354	estimated expenditure of the MOPAC calculated in accordance with s85(4)(a) of the GLA Act
30	£0	£	estimated allowance for contingencies for the MOPAC under s85(4)(b) of the GLA Act
31	£0	£	estimated reserves to be raised for meeting future expenditure of the MOPAC under s85(4)(c) of the GLA Act
32	£0	£	estimate of reserves to meet a revenue account deficit of the MOPAC under s85(4)(d) of the GLA Act
33	£3,159,766,354	£3,210,979,354	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the MOPAC (lines (29) + (30) + (31) + (32) above)
34	-£261,900,000	-£	estimate of the MOPAC's income <u>not</u> in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
35	-£483,400,000	-£	estimate of the MOPAC's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
36	-£1,794,200,000	-£	estimate of the MOPAC's income in respect of general government grants (revenue support grant, core Home Office police grant and principal police formula grant) calculated in accordance with s85(5)(a) of the GLA Act
37	£0	-£51,213,000	estimate of the MOPAC's income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
38	£0	-£	estimate of MOPAC's share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
39	-£2,539,500,000	-£2,590,713,000	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (34) + (35) + (36) + (37) + (38))
40	-£56,100,000	-£	estimate of MOPAC's reserves to be used in meeting amounts in line 33 above under s85(5)(b) of the GLA Act
41	-£2,595,600,000	-£2,646,813,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for the MOPAC (lines (39) + (40) above)
42	£564,166,354	£	the component council tax requirement for MOPAC (being the amount by which the aggregate at (33) above exceeds the aggregate at (41) above calculated in accordance with section 85(6) of the GLA Act)

**The draft component council tax requirement for the MOPAC for 2015-16 (line 42 col 3) is:
£564,166,354**

Part 4: London Fire and Emergency Planning Authority ("LFEPA") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's Proposal	Budget amendment	Description
43	£423,651,726	£	estimated expenditure of LFEPA for the year calculated in accordance with s85(4)(a) of the GLA Act
44	£0	£	estimated allowance for contingencies for LFEPA under s85(4)(b) of the GLA Act
45	£0	£	estimated reserves to be raised for meeting future expenditure of LFEPA under s85(4)(c) of the GLA Act
46	£0	£	estimate of reserves to meet a revenue account deficit of LFEPA under s85(4)(d) of the GLA Act
47	£423,651,726	£	aggregate of the amounts for the items set out in s85(4) of the GLA Act for LFEPA (lines (43) + (44) + (45) + (46) above)
48	-£32,150,000	-£	estimate of LFEPA's income <u>not</u> in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
49	-£9,100,000	-£	estimate of LFEPA's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
50	-£129,420,000	-£	estimate of LFEPA's income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
51	-£114,741,726	-£	estimate of LFEPA's income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
52	£0	-£	estimate of LFEPA's share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
53	-£285,411,726	-£	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (48) + (49) + (50) + (51) + (52))
54	-£50,000	-£	estimate of LFEPA's reserves to be used in meeting amounts in line 47 above under s85(5)(b) of the GLA Act
55	-£285,461,726	-£	aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LFEPA (lines (53) + (54) above)
56	£138,190,000	£	the component council tax requirement for LFEPA (being the amount by which the aggregate at (47) above exceeds the aggregate at (55) above calculated in accordance with section 85(6) of the GLA Act)

**The draft component council tax requirement for LFEPA for 2015-16 (line 56 col 3) is:
£138,190,000**

Part 5: Transport for London ("TfL") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's proposal	Budget amendment	Description
57	£7,066,100,000	£7,082,970,000	estimated expenditure of TfL for the year calculated in accordance with s85(4)(a) of the GLA Act
58	£0	£	estimated allowance for contingencies for TfL under s85(4)(b) of the GLA Act
59	£0	£	estimated reserves to be raised for meeting future expenditure of TfL under s85(4)(c) of the GLA Act
60	£0	£	estimate of reserves to meet a revenue account deficit of TfL under s85(4)(d) of the GLA Act
61	£7,066,100,000	£7,082,970,000	aggregate of the amounts for the items set out in s85(4) of the GLA Act for the TfL (lines (57) + (58) + (59) + (60) above)
62	-£5,508,381,533	-£5,390,381,533	estimate of TfL's income <u>not</u> in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
63	-£29,200,000	-£	estimate of TfL's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
64	-£675,000,000	-£	estimate of TfL's income in respect of general government grants (revenue support grant and the GLA Transport General Grant) calculated in accordance with s85(5)(a) of the GLA Act
65	-£847,518,467	-£719,396,821	estimate of TfL's income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
66	£0	-£	estimate of TfL's share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
67	-£7,060,100,000	-£6,813,978,354	aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act for TfL (lines (62) + (63) + (64) + (65) + (66) above)
68	£0	-£262,991,646	estimate of TfL's reserves to be used in meeting amounts in line 61 above under s85(5) (b) of the GLA Act
69	-£7,060,100,000	-£7,076,970,000	aggregate of the amounts for the items set out in section 85(5) of the GLA Act (lines (67) + (68))
70	£6,000,000	£	the component council tax requirement for TfL (being the amount by which the aggregate at (61) above exceeds the aggregate at (69) above calculated in accordance with section 85(6) of the GLA Act)

**The draft component council tax requirement for TfL for 2015-16 (line 70 col 3) is:
£6,000,000**

Part 6: London Legacy Development Corporation ("LLDC") draft component budget

NOTE: Amendments to the draft component council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's proposal	Budget amendment	Description
71	£37,300,000		£ estimated expenditure of LLDC for the year calculated in accordance with s85(4)(a) of the GLA Act
72	£0		£ estimated allowance for contingencies for LLDC under s85(4)(b) of the GLA Act
73	£0		£ estimated reserves to be raised for meeting future expenditure of LLDC under s85(4)(c) of the GLA Act
74	£0		£ estimate of reserves to meet a revenue account deficit of LLDC under s85(4)(d) of the GLA Act
75	£37,300,000		£ aggregate of the amounts for the items set out in s85(4) of the GLA Act for LLDC (lines (71) + (72) + (73) + (74) above)
76	-£26,800,000		-£ estimate of LLDC's income <u>not</u> in respect of Government grant, retained business rates or council tax precept calculated in accordance with s85(5)(a) of the GLA Act
77	£0		-£ estimate of LLDC's special & specific government grant income calculated in accordance with s85(5)(a) of the GLA Act
78	£0		-£ estimate of LLDC's income in respect of general government grants (revenue support grant) calculated in accordance with s85(5)(a) of the GLA Act
79	£0		-£ estimate of LLDC's income in respect of retained business rates including related section 31 grant income calculated in accordance with s85(5)(a) of the GLA Act
80	£0		-£ estimate of LLDC's share of any net collection fund surplus for the 33 London billing authorities calculated in accordance with s85(5)(a) of the GLA Act
81	£26,800,000		-£ aggregate of the amounts for the items set out in section 85(5)(a) of the GLA Act (lines (76) + (77) + (78) + (79) + (80))
82	-£10,500,000		-£ estimate of LLDC's reserves to be used in meeting amounts in line 75 above under s85(5)(b) of the GLA Act
83	-£37,300,000		-£ aggregate of the amounts for the items set out in section 85(5) of the GLA Act for LLDC (lines (81) + (82) above)
84	£0		£ the component council tax requirement for LLDC (being the amount by which the aggregate at (75) above exceeds the aggregate at (83) above calculated in accordance with section 85(6) of the GLA Act)

The draft component council tax requirement for LLDC for 2015-16 (line 84 col 3) is: £0

Part 7: The Greater London Authority ("GLA") draft consolidated council tax requirement calculations

NOTE: Amendments to the draft consolidated council tax will take effect as follows. Where a figure is shown in column 3, the figure in column 2 is amended to the figure in column 3. If no figure is shown in column 3, then the figure in column 2 shall be taken to apply un-amended. If "nil" or "£0" is shown in column 3, then the figure in column 2 is amended to nil.

1	2	3	4
Line	Mayor's proposal	Budget amendment	Description
85	£776,318,766	£786,863,120	the GLA's consolidated council tax requirement (the sum of the amounts in lines (14) + (28) + (42) + (56) + (70) + (84) calculated in accordance with section 85(8) of the GLA Act)

The draft consolidated council tax requirement for 2015-16 (line 85 col 3) is: £786,863,120