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Communities and Local
Government Committee

Post-legislative scrutiny of the Greater London Authority Act 2007 and the London Assembly

Fourth Report of Session 2013–14

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The Communities and Local Government Committee

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Summary

The office of Mayor of London is a local government success story. The Mayor's responsibilities for transport, economic development, planning and housing have made the post credible and visible, and he has the power to make London-wide executive decisions. But the Greater London Authority, of which the mayoralty is one part, has two other, less visible, components: four "functional bodies" responsible for transport, fire, the Olympic legacy and policing in the capital; and the London Assembly, the 25-member body charged with holding the Mayor to account.

Our report concentrates on the Assembly. Legislation enacted in 2007 and 2011 transferred further powers to the Mayor but without a matching enhancement of the powers of the Assembly. Indeed, the changes have created inconsistencies. It is now time for the Assembly's powers in relation to mayoral decisions, budgets, strategies and appointments to be made consistent and clear. We call for a number of changes. First, in line with local authorities with elected mayors, the London Assembly should be able to call in mayoral decisions before they are implemented. Second, given the Mayor's increased funds for investment in housing, transport and economic development, the Assembly should also be able to amend the Mayor's capital budgets, as it can his revenue budgets. Third, the Assembly's powers over mayoral strategies are inconsistent. It should be empowered to reject the Mayor's Police and Crime Plan, as it can all his other statutory strategies. Finally, the Assembly should be able to reject the Mayor's appointment of any Deputy Mayor, as it can his appointment of a Deputy Mayor for Policing and Crime. This power should also extend to the appointment of chairs and deputy chairs of key GLA bodies, such as Transport for London.

The Assembly must have a clearer and more easily recognisable scrutiny function for Londoners. It is neither part of the Mayor's executive nor an embryonic legislature. It follows, and we recommend, that Assembly Members should not join the Mayor's cabinet or the boards of GLA executive bodies while retaining membership of the Assembly. We question how the public are supposed to disentangle a situation in which an Assembly Member can carry out scrutiny work in one area and perform an executive role in another as a Deputy Mayor or a mayoral representative on a GLA board.

The London Finance Commission has proposed that mayoral tax and spending powers are expanded. If this happens, the Assembly must be able to scrutinise and challenge. To be effective it will have to be able to call on further specialist resources within the Assembly, dedicated to in-depth budgetary and statistical analysis, or on an independent budget office for London.

The changes we propose would forge a more identifiable role for the Assembly as the body charged with holding the Mayor to account. In this way its own credibility and visibility would be enhanced, without any detriment to the popular and effective mayoral model of London government. If the Assembly's powers were clearer, the public would be more inclined to accept an increase in the Mayor's powers.

1 Introduction

1. The impetus for this inquiry was post-legislative scrutiny of the Greater London Authority Act 2007. In accordance with Cabinet Office guidance, five years after the Act was enacted the Department for Communities and Local Government (DCLG) submitted to us a memorandum on the operation of the legislation. It is for us then to decide on the scrutiny required.¹ Much of the legislation coming up for review was passed towards the end of the previous Government and has been overtaken by legislation enacted by the Coalition Government that came to power in 2010. The 2007 Act was a case in point. It made a limited number of changes to the governance arrangements that were enacted in the Greater London Authority Act 1999 and which subsequently were amended by the Localism Act 2011 and the Police Reform and Social Responsibility Act 2011.² While keeping the 2007 Act in view, we have therefore taken this opportunity to carry out a wider examination of government in London by looking at the operation of the London Assembly and the division of powers between the Assembly and the Mayor.

London-wide government

2. On 7 May 1998 Londoners voted in a referendum by two to one in favour of establishing a Greater London Authority (GLA). It was envisaged that there would be: a city-wide system of government made up of new public bodies responsible for transport, economic development, the police and fire services; an elected assembly; and for the first time in England a directly elected mayor. The legislation enacted to achieve this, the Greater London Authority Act 1999, created a hybrid system, with elements of local government from the United Kingdom and the mayoral system in the United States. Describing the political context in the 1990s, one of our witnesses, Professor Tony Travers, Visiting Professor of Government at the London School of Economics, explained:

The then Prime Minister, Tony Blair, saw directly elected mayors [...] as a way of concentrating such power as was left in local government. In a sense, mayors are a paradoxical piece of evidence of how weak local government had become, because the then Prime Minister wanted to make the power of that office, or the executive part of a council, much more obviously visible in order that it could then exercise power.³

He added that the model was intended to be “acceptable to the British political system but nevertheless [...] radical”.⁴ On 4 May 2000 Londoners returned to the polls. They elected Ken Livingstone as Mayor of London and 25 members to the London Assembly.

¹ Cabinet Office, *Guide to Making legislation*, June 2012, Part 40, p 250

² See paras 7 to 9.

³ Q 6

⁴ Q 10

The Greater London Authority

3. The Greater London Authority has administrative responsibilities across the capital, and within the GLA the Mayor of London holds and exercises the executive power. He formulates and introduces policies and makes the decisions. In contrast to the Mayor and to local councils in England, the London Assembly has limited powers. It consists of 25 members elected by the additional member system. Fourteen members are elected to represent constituencies; the remaining 11 represent the whole capital. The Assembly is able to question the Mayor 10 times a year at Mayor's Question Time. It also arranges itself into subject-based scrutiny committees, such as its Housing and Transport Committees, to hold evidence sessions and produce reports on the Mayor, his deputies and the organisations providing services to London, including the GLA's functional bodies. The Assembly has the power to scrutinise the Mayor's decisions once they have been made, but its power to change mayoral decisions is restricted to a power to amend the strategies the Mayor is required to produce and, more significantly, to amend or block his budget. But to do so requires a two-thirds majority in the Assembly.⁵ This means that 17 Assembly Members (AMs) have to oppose the Mayor's proposal. The Greater London Authority Act 1999 set up these arrangements and subsequent legislation the Greater London Authority Act 2007 and the Localism Act 2011 has built on them.

4. The GLA has authority over four 'functional bodies':

- the London Fire and Emergency Planning Authority (LFEPA),
- Transport for London (TfL),
- the London Legacy Development Corporation (LLDC), responsible for the long-term development of the Olympic park, and
- the Mayor's Office for Policing and Crime (MOPAC).

The Mayor appoints members to the boards of these bodies, sets their budgets and strategy and has full authority over them.

5. In addition the GLA has some responsibilities for housing, which include creating a London housing strategy, managing a programme to deliver new affordable homes and improving existing social rented homes. London also has a capital-wide Local Enterprise Partnership (LEP) to advise the Mayor on strategic investment, innovation and competitiveness.⁶ This LEP was renamed the 'London Enterprise Panel' and began work in 2012.⁷ The GLA, like local authorities in England, also has a general power of competence, which may be used to promote economic and social development and environmental improvement within London.⁸

⁵ Ev 42, para 5

⁶ "The Greater London Authority", House of Commons Library Standard Note, SN 05817, p 10

⁷ "Shaping London's economic future - Mayor of London establishes London Enterprise Panel", Greater London Authority press release, www.london.gov.uk/media/mayor-press-releases/2012/02/shaping-londons-economic-future-mayor-establishes-lep, 8 February 2012

⁸ "The Greater London Authority", Library Standard Note, SN 05817, p 6

6. The Mayor is not, however, able to exercise the range of powers available to the devolved Administrations in Scotland, Wales or Northern Ireland. He cannot provide or spend money on health or education services, and he is forbidden from spending money on any service provided by a borough council or any other public body.⁹ London's services in health, education, social care, arts and culture and environmental protection are all delivered by bodies other than the GLA, including London's borough councils.¹⁰ The Mayor must produce eight strategy documents: transport, economic development, culture, spatial development (the London Plan), environment, housing, health inequalities, and skills and employment. But aside from those for transport, housing and economic development, where he has executive responsibilities and budgets, the Mayor must rely on persuasion and influence to ensure they are implemented. He has few powers to compel or override the boroughs, although, as we explain below, he was recently given more authority in relation to planning.

The Greater London Authority Act 2007

7. In 2006 the then Government published a consultation paper on changes to the Greater London Authority.¹¹ As a result of this exercise it decided to update the 1999 Act. The Greater London Authority Act 2007 devolved further powers to the Mayor and the Assembly. It gave the Mayor greater powers over housing, waste management and in regard to planning—the power to call in and take over from London's boroughs major planning applications.¹² Previously he had only a power of veto. The 2007 Act also gave the Assembly new powers, including the power to hold confirmation hearings for certain mayoral appointments and to produce its own budget.¹³

The Localism Act 2011

8. The Coalition Government made further and more wide-ranging changes, some of which superseded the Greater London Authority Act 2007. The Localism Act 2011 empowered the Mayor to establish Mayoral Development Corporations (MDCs) in order to regenerate specified geographical areas. It has also passed to the Mayor the budget and functions of the London Board of the Homes and Communities Agency. The GLA can now acquire land for housing and regeneration purposes. As in 2007, the 2011 Act provided the Assembly with additional powers: to reject the Mayor's strategies and any proposed Mayoral Development Corporations. The exercise of both powers require a two-thirds majority.

⁹ Professor Vernon Bogdanor, lecture delivered to symposium on 'The future of London government', 24 May 2010, www.gresham.ac.uk/lectures-and-events/the-future-of-london-government (accessed 21/08/2013). The Mayor's powers are limited under section 31(3) of the 1999 Act.

¹⁰ "The Greater London Authority", Library Standard Note, SN 05817, p 5

¹¹ DCLG, "The Greater London Authority, The Government's final proposals for additional powers and responsibilities for the Mayor and Assembly", August 2006

¹² Ev 31, paras 4, 6 and 9

¹³ "The Greater London Authority", Library Standard Note SN 05817, p 3; Ev 40, paras 2.1 and 2.2

The Police Reform and Social Responsibility Act 2011

9. The GLA gained further powers through the Police Reform and Social Responsibility Act 2011, which made changes to the structure of policing in London. The Mayor, through the Mayor's Office of Policing and Crime (MOPAC), was given the same powers as a Police and Crime Commissioner. He has appointed a Deputy Mayor to carry out these responsibilities. MOPAC must secure the maintenance of the Metropolitan police force, ensure its efficiency and effectiveness and publish a policing and crime plan at least annually.¹⁴ Under the legislation, the Assembly was empowered to set up a special-purpose committee, the Policing and Crime Committee, to scrutinise the work of MOPAC. The Committee can reject, on a two-thirds majority, the appointment of any Deputy Mayor for Policing and Crime who is not an Assembly Member, but it has no power to reject the Mayor's Policing and Crime Plan.¹⁵

The London Finance Commission

10. The London mayoralty has not just sat back and waited for Parliament and the Government to hand it more powers. London has had two Mayors since 2000, Ken Livingstone and Boris Johnson, who have been active in seeking new powers for their office. Most recently, in July 2012, the current Mayor, Mr Johnson, established the London Finance Commission, "to help improve the tax and public spending arrangements for London in order to promote jobs and growth."¹⁶ It was chaired by Professor Tony Travers of the London School of Economics. After a nine-month inquiry the commission reported in May 2013. It called for London government to have full control over council tax, stamp duty and business rates and the power to introduce new levies, such as a tourism tax. At the moment the Mayor's independent sources of revenue are limited. The GLA receives funding from central Government and from a precept that it levies on Londoners' council tax bills.¹⁷ Since 2012 the Mayor has also been able to charge a community infrastructure levy on new developments in London.¹⁸

Our inquiry

11. This report focuses on the functions and operation of the London Assembly and its relationship with the Mayor. It examines the role of the Assembly; the type of scrutiny it undertakes; and whether its functions and powers are consistent and clear. Our inquiry has a limited focus and may pave the way for a wider review of London government later in this Parliament. We intend to meet the Mayor of London in the autumn to discuss the report of the London Finance Commission and the future of London government. In conducting this inquiry it appears to us that the strong mayoral model operating in London is here to stay. In other parts of the country, any move to a similar form of

¹⁴ "The Greater London Authority", Library Standard Note SN 05817, p 10

¹⁵ Ev 41, para 2.2, Ev 45, para 6.4

¹⁶ Greater London Authority website: www.london.gov.uk/priorities/business-economy/championing-london/london-finance-commission

¹⁷ Greater London Authority website: www.london.gov.uk/mayor-assembly/gla/spending-money-wisely/budget-expenditure-charges/the-mayors-budget-for-2013-14

¹⁸ This power was provided for under part 11 of the Planning Act 2008.

government should be subject to a local referendum. The Mayor of London's powers have increased since 2007 and, if the pattern of recent legislation persists, they may continue to do so. In our report we therefore ask whether London's current model of governance allows the London Assembly to scrutinise him adequately now and will do so into the future. In this report conclusions are printed in bold and recommendations are in bold italics.

12. The Mayor of London holds the executive power in the Greater London Authority. We conclude that this model of government looks set to continue with the transfer of further powers to the Mayor through the Greater London Authority Act 2007, the Localism Act 2011 and the Police Reform and Social Responsibility Act 2011, and most recently in the current Mayor's call for greater tax and spending powers in London. Such a concentration of power in one person is uncharacteristic of the UK constitution, and this raises questions about the remit and functions of the London Assembly, which is charged with holding him to account.

2 The London Assembly

The purpose of the Assembly

13. The London Assembly's primary responsibility is to hold the Mayor of London to account for his policies, decisions and actions. This function requires scrutiny of a range of areas over which the Mayor has direct responsibility and substantial budgets, including housing, transport, economic development, planning and policing.¹⁹ In these areas the Mayor is legally obliged to produce strategies to direct policy making throughout London. He is also obliged to do so in the policy areas of health, culture, employment and the environment, but in these areas he has no service delivery or budgetary powers with which to implement them.²⁰

14. The London Assembly has no power to implement its own policies. It can, however, amend the Mayor's annual budget or a mayoral strategy, as we have noted, on a two-thirds majority.²¹ It also has the power to hold him, his deputy mayors and senior advisers to account. It does this through subject-based scrutiny committees, which gather evidence and publish reports. It also has a Budget Committee, an Audit Panel and a Confirmation Hearings Committee. The latter covers key mayoral appointments, set out in the 2007 Act;

- Chair or deputy chair of Transport for London;
- Chair of the London Fire and Emergency Planning Authority;
- Chair of the Cultural Strategy Group;
- Chair or deputy chair of the London Pensions Fund Authority;
- Chair of the London Waste and Recycling Board; and
- Chair of a Mayoral Development Corporation.²²

The Committee, however, has no power to reject these appointments.²³

The job of holding the Mayor to account

15. The London Assembly has no direct responsibilities for strategies or services in London. It has been argued that it could be abolished, passing responsibility for scrutiny of the Mayor of London to London's 32 borough councils. All those whom we asked responded with a similar point. Sir Edward Lister, himself the former leader of a London borough council, Wandsworth, and now the Mayor of London's Chief of Staff and Deputy Mayor for Planning and Policy, explained:

¹⁹ "The Greater London Authority", Library Standard Note SN 05817, pp 3 to 8; see also Greater London Authority website: www.london.gov.uk/mayor-assembly/mayor.

²⁰ See para 6.

²¹ See para 3.

²² Greater London Authority website: www.london.gov.uk/moderngov/mgCommitteeDetails.aspx?ID=135

²³ "The Greater London Authority", Library Standard Note SN 05817, pp 4–8

I can understand the argument, and I think I may have made that argument in the past, but the position has moved [...] The borough leaders are always going to be concerned about their boroughs and about negotiations for their boroughs, and they are not going to provide proper scrutiny of the Mayor. They will only be interested in those things that affect them [...] Somebody has got to call the Mayor to account. The Assembly do a good job of that.²⁴

Tony Travers, Visiting Professor in the Department of Government at the London School of Economics, warned of

a risk of what I think Americans call pork-barrelling. By that I mean the mayor, in order to get a majority to get his or her budget through, would have to do deals with the Borough leaders, and that would undoubtedly involve carve-ups of what was spent where.²⁵

16. The London Assembly is made up of 14 members elected by constituencies and 11 'list Members' representing the whole capital. Darren Johnson AM, the Chair of the London Assembly, also pointed to the importance of retaining a scrutiny body that represented a range of Londoners' opinions:

The Assembly, by being a proportional system through the additional member system with constituency members and a top-up list, does provide that diversity of views. We can probably take a strategic view for the whole of London, not simply a view for individual boroughs.²⁶

17. We conclude that the Mayor has to be held to account for the substantial powers he exercises and that an Assembly composed of members able to focus on the same issues as the Mayor is the correct vehicle. Assembly Members, like the Mayor, have to be able to take a strategic view of the capital and its interests. We therefore support the current model in London for holding to account a mayor with extensive and growing executive powers, which is an Assembly directly elected by the London electorate. The corollary of a strong mayor must be a scrutiny body located at the same, in this case London-wide, level.

The role of the Assembly

18. As we have noted, the pattern since 2007 has been for the Mayor to accumulate more powers and responsibilities. To be effective, the Assembly must keep pace. In 2010 the Mayor of London himself, when he set out his proposals for transferring more political responsibilities to London, questioned whether the GLA's "institutional arrangements" were still fit for purpose:

The Assembly is part of the GLA. So the executive function of the Mayor and the scrutiny function of the Assembly are internalised within the Authority. This is confusing for the public and blurs accountability. It contrasts with, for example, the

²⁴ Q 31

²⁵ Q 7; for related arguments see also Q 74, Mayor of Hackney, Jules Pipe, and Q 106, Darren Johnson AM.

²⁶ Q 106

clear separation which exists between Ministers in government and the scrutiny to which they are subjected by parliamentary Select Committees.

Consideration should be given to the Assembly becoming a separate, free-standing and independent scrutiny body with its functions and staffing clearly distinguishable from the Mayoralty. This need not preclude preserving the current shared support services so as to be cost effective.²⁷

19. An alternative to this scrutiny model would be a legislature model. Professor Travers described the system of government in London as “a compromise between the way we do things in Westminster and (in) most of British and UK local government, and a pure American system.” He said that, if London government changed to the “full American version”

there is no doubt that the city council [the Assembly] will become a legislative body and the mayor would be the executive: the mayor could propose, but the city council would have to pass the legislation, budgets and so on for the mayor then to operate with as the executive.²⁸

20. George Jones, Emeritus Professor of Government at the London School of Economics, and John Stewart, Emeritus Professor of Local Government at the University of Birmingham, put the case for such radical change in their evidence to us. They suggested that, while the Mayor of London’s powers of veto were comparable with those of mayors in United States local government, the London Assembly’s powers were much weaker than those of US local councils. They said:

Much discussion of US political structures has ignored the role of the council in mayoral authorities [...] In many American authorities there is provision for legislation to be adopted by the council which can embody the council’s policies [...] There may be provision for mayoral vetoes, but in New York the mayor cannot impose legislation [...] and has no veto on reductions in the budget voted by the council.²⁹

Professors Jones and Stewart therefore suggested the London Assembly be empowered to consider mayoral proposals through the introduction of first and second readings and committee stages.³⁰

21. This view presumes that the powers of the US mayors and the Mayor of London are comparable. As we noted in chapter 1, however, the Mayor of London lacks comparable executive powers and independent sources of revenue. Professor Vernon Bogdanor, Research Professor at King’s College London’s Institute for Contemporary British History, has suggested that the Mayor’s role is, instead, to “set a strategy for London” and that his powers have been kept in check by two elements: the unwillingness of successive central Governments to create a rival power base on their doorstep; and the existence of London’s

²⁷ Greater London Authority, “The Mayor of London’s proposals for devolution”, June 2010

²⁸ Q10

²⁹ Ev 50, paras 8 and 10

³⁰ Ev 51, para 18, Ev 52, para 20

boroughs, every one of which has more power than the Mayor of London to deliver public services. In this sense the Mayor of London is weaker than the Mayor of New York. Professor Bogdanor pointed out:

London is not just a capital but has 32 powerful boroughs, together with the City Corporation, each of which is an authority, and three of the boroughs Hackney, Lewisham, and Newham have their own directly elected majors. This existence of the powerful boroughs makes the problem of government in London different in kind from that of other capital cities [...] You could mention the boroughs of New York, of which there are five, but they [...] are fairly weak units of government, and they do not deliver services, and nor do they have taxing powers, but of course the London boroughs do.³¹

We noted that, when Professor Travers was asked by the Mayor to lead an investigation into London's tax and spending powers, he found that

barely seven per cent of all the tax paid by London residents and businesses is retained by the Mayor and the boroughs. The equivalent figure in New York is over 50 per cent.³²

22. The points made by Professors Bogdanor and Travers therefore raise the question of whether the powers of the Mayor of London are really comparable to those of the Mayor of New York—and therefore whether the London Assembly really warrants the legislative powers conferred on city councils in the United States.

23. Indeed in its written submission to us the London Assembly made no mention of American-style legislative powers. It took a different view:

Given that Parliament has three times given its support to the basic tenets of the strong executive mayor model operating at City Hall through legislation in 1999, 2007 and 2011, the Assembly does not seek to undermine the Mayor's ability to exercise the authority they have been given.³³

Pursuing this approach, the Chair of the Assembly, Darren Johnson AM, explained in oral evidence to us that, aside from its ability to amend mayoral budgets and strategies by a two-thirds majority, the Assembly was there to scrutinise and recommend, rather than to act as a legislature:

The strong Mayor model is in place and is part of the political landscape. That is not going to change, but we can enhance the ability of the Assembly to hold the Mayor to account without unravelling that strong Mayor model.³⁴

³¹ Professor Vernon Bogdanor, lecture delivered to symposium on 'The future of London government', 24 May 2010, www.gresham.ac.uk/lectures-and-events/the-future-of-london-government (accessed 21/08/2013)

³² The London Finance Commission, "Raising the capital: the report of the London Finance Commission", May 2013, p 4

³³ Ev 43, para 6

³⁴ Q 102

24. In his evidence, Sir Edward Lister, the Mayor's Chief of Staff and Deputy Mayor for Planning, echoed Darren Johnson:

The model is a very strong mayor. That is what has been put before the electorate. Are you going to then say an Assembly is going to prevent the wishes of that Mayor, having been elected by over 1 million people?³⁵

In later questioning Sir Edward summed up his point, stating: "The principle is for the Assembly to be a scrutinising body, and it should be that."³⁶

The scrutiny role

25. To emphasise its role as a scrutiny body, the London Assembly included in its submission several examples of what it considered to be successful scrutiny.³⁷ On its general powers it said:

Often the work of individual Assembly Members, committee investigations and plenary sessions of the Assembly complement each other in holding the mayoral administration as a whole to account.³⁸

In oral evidence Darren Johnson drew our attention to the achievements of its various committees:

The Assembly has had very significant influence in terms of the investigations we have done, the recommendations that have been taken on board, and the way that we have been able to shape both mayoral administrations on a number of issues and get a number of our recommendations taken on board.³⁹

Mr Johnson also noted how recommendations in Assembly reports had contributed to improvements in the running of London's buses during bad weather; how, in the wake of an Assembly investigation into the emergency response to the 7 July 2005 bombings, its "detailed recommendations [...] were overwhelmingly taken on board" by the police, the fire service and Transport for London; and how "even private companies like Thames Water took on board some key recommendations from the Assembly."⁴⁰

26. Martin Hoscik, editor of *MayorWatch*, an independent website that follows the GLA's work, told us in his submission that in recent years the Assembly had made

great progress in stepping out of the Mayor's shadow and increasing public awareness of its work. Some of this success has been achieved through investigations

³⁵ Q 25; under the supplementary vote system in 2000 Ken Livingstone won in total 776,427 votes; in 2004 Ken Livingstone won 828,380; in 2008 Boris Johnson won 1,168,738; and in 2012 Boris Johnson won 1,054,811; source: www.ukpolitical.info

³⁶ Q 45

³⁷ See Ev 43, para 4.

³⁸ Ev 43, para 5

³⁹ Q 102

⁴⁰ Qq 103, 105

into issues affecting a diverse range of groups including cyclists, residents affected by airport noise and mobility impaired transport users.

He added:

It is increasingly common to see [media] reports concerning the Assembly where there is no reference to the Mayor or where the narrative is driven by the Assembly's work rather than its response to a Mayoral policy or announcement.⁴¹

27. In our view the future of the London Assembly can go in one of two directions—either towards becoming a legislature as in the United States of America or developing its role as a scrutinising body. While the London Mayors since 2000 have enjoyed high profiles, they do not exercise the range of powers and responsibilities of their US counterparts which would justify giving the Assembly US-style legislative authority. Indeed, the Assembly itself has not sought to become a legislature. The primary function of the Assembly is to scrutinise the Mayor. We have heard how effective the Assembly and its committees have been at doing so. In our view the route to follow is that the Assembly develop as a separate, independent body, clearly distinguishable from the mayoralty, and concentrating on scrutiny. Its focus should be on the Mayor and those issues affecting Londoners, such as transport, housing and economic development, where the Mayor has considerable spending powers. In turn this would maximise the impact of the Assembly's work.

⁴¹ Ev 35

3 The Assembly's scrutiny powers

28. In this chapter we examine the London Assembly's powers and arrangements for carrying out scrutiny and the changes that might be made. Of the various suggestions made by those who submitted evidence to our inquiry, two stood out: first, that the two-thirds threshold by which the Assembly can veto mayoral budgets or strategies should be reduced; and second, that the Assembly should have the power to call in mayoral decisions after they have been taken but before they are implemented.⁴²

The two-thirds threshold

29. We put it to Sir Edward Lister, the Mayor's Chief of Staff, that a strong Mayor ought to be able to command more than one third of the Assembly's support when presenting his budget. He said it would mean telling the Mayor, who has had "over 1 million votes cast for him", "You really have got to get agreement from at least two other political parties before you can make a decision."⁴³ Sir Edward did not think that

you would deliver what is necessary for London. It would just be a matter of horse-trading between the political parties, and I would suggest that would create a weak Mayor [...] all you would do is have this endless round of negotiations trying to pander to one political party or another's wishes [...] I do not think that is what Londoners want. They want whoever they are going to elect for four years to deliver on their manifesto.⁴⁴

30. Jules Pipe, the directly elected Mayor of Hackney, reminded us that the same arrangements exist throughout England: "All [directly elected] mayoral authorities are the same. They only require a third to pass the budget."⁴⁵ The Assembly itself explained that, although it had not amended a mayoral budget using the two thirds majority vote,

the fact that the potential exists for it to do so has meant that mayors have been obliged to take notice of the Assembly's proposals. As a result, mayoral budgets have been more efficient and effective.⁴⁶

31. A majority of Assembly Members—the 16 Labour, Liberal Democrat and Green Members—suggested a reduction in the threshold to 60%. The nine Conservative Members were not in favour of any reduction unless all AMs were elected by single member geographical constituencies.⁴⁷

⁴² On reducing the threshold see Ev 51, paras 13–18 [George Jones and John Stewart]; Ev 46, para 10 [majority of the London Assembly]; and Ev 36 [MayorWatch]. On call-in powers see Ev 51, para 19 (3C) [George Jones and John Stewart], Ev 43, para 6.1 [London Assembly].

⁴³ Qq 25 and 32

⁴⁴ Qq 32–33

⁴⁵ Q 96

⁴⁶ Ev 45, para 6.5

⁴⁷ Ev 43, para 6.1, Ev 46, para 10.

32. Sir Edward pointed out that irrespective of the make-up of the Assembly the Mayor stands apart from it and

there is always a tension between the Assembly and the Mayor. There is a divide. It certainly is by no means the case that the Conservative Group will always agree with the Mayor or the Mayor will agree with the Conservative Group.⁴⁸

Even if a Mayor is able to rely on his own party, he might have to seek support from other parties in the Assembly. As Sir Edward explained: “It does not follow that because a Mayor of one particular party does particularly well [in an election], the political party in the Assembly will do as well.”⁴⁹

33. In our view a reduction in the two-thirds threshold required by the Assembly to veto mayoral budgets or strategies needs a convincing justification. A reduction of six percentage points would in some circumstances weaken the Mayor’s position. As the Assembly told us, the existing power has been effective and its significance lies in the threat of its use, as much as in its use itself. The Mayor is not an Assembly Member or the leader of his party in the Assembly, so he cannot automatically expect to rely on their support. Furthermore, a Mayor’s supporters have not always been well represented in the Assembly. Londoners are entitled to expect the Mayor whom they voted for to be able to implement the manifesto they put to the electorate. **A balance has to be maintained between a strong Mayor who is able to implement his or her manifesto and an Assembly with the potential to make the Mayor rethink any ill-considered decisions. The current two-thirds threshold strikes that balance and we see no convincing reason to change it.**

Call-in powers

34. In its submission, the London Assembly explained that the Mayor of London was the only elected mayor in England not required to publish a forward plan and whose decisions were not subject to call-in by the local scrutiny body. As a consequence

there has been a lack of openness and transparency as decisions relating to significant expenditure are taken in private and not announced until after the decision has been taken [...] The proposal [of a call-in power for the Assembly] would place an onus on the Assembly to identify and challenge potentially poor decisions before they take place, rather than only challenging decisions after they have demonstrably failed to effectively and efficiently achieve their goals.⁵⁰

The Chair of the Assembly, Darren Johnson AM, told us the proposal

would be an important check and balance. At the moment, we can only scrutinise decisions after they have been made, or make recommendations before decisions have been made. We cannot take that formal role, in the way that councils holding directly elected Mayors in local government to account can.⁵¹

⁴⁸ Q 34

⁴⁹ Q 35

⁵⁰ Ev 43, para 6.1

⁵¹ Q 108

35. We wanted to know what impact such powers might have on the London mayoral system. Sir Edward Lister, representing the Mayor, told us that as part of the strong mayoral model, “the Assembly is there to scrutinise after the event, not prior to the event.” He did explain, however, that when formulating plans and making decisions the Mayor already accounted for opinion in the Assembly:

It is undoubtedly the case that those plans, after they are published, are subject to constant scrutiny, so a lot of effort is made to make sure that those plans are acceptable to all parties.⁵²

36. In the previous section we noted how the effectiveness of the two-thirds threshold lay in the potential for its use. The Constitution Unit at University College London has suggested the call-in power is similarly effective, as it gives local overview and scrutiny committees “a strong sanction against being entirely ignored. Call-in is used as much in the threat as the execution, requiring a greater degree of consultation with backbench local authority councillors during policy-making than is the norm at other tiers.”⁵³

37. The power to call in mayoral decisions before they are implemented would make the Assembly’s powers consistent with those of local councils that have directly elected mayors and provide a firm basis on which to replicate the Mayor of London’s powers and the Assembly system elsewhere in the country. This power represents an important means of scrutiny but one that should and probably would be used sparingly. Given the Mayor already seeks to ensure his plans are acceptable to all parties, it seems no great leap into the unknown to provide the Assembly with this check on his authority. Indeed in the long run it has the potential to improve the overall efficiency of GLA decision making, and to ensure full scrutiny of important decisions before they are implemented. *The Government should make the appropriate legislative changes to require the Mayor to publish a forward plan and to provide the Assembly with the power to call in mayoral decisions.*

Capital spending

38. In the previous section we recommended the Assembly’s powers be made consistent with those of local councils charged with the scrutiny of directly elected mayors. Following this, we examined the case for making the Assembly’s powers to amend mayoral budgets more consistent: giving it the same powers over the Mayor’s capital budgets as it has over his revenue budgets. The Assembly is currently able to amend the component revenue budgets of the GLA. These include funds for the Mayor’s office, Transport for London, the Mayor’s Office for Policing and Crime, the London Fire and Emergency Planning Authority, the London Legacy Development Corporation and the Assembly itself. It can exercise this power with a two-thirds majority.⁵⁴

⁵² Q 26

⁵³ Mark Sandford, Constitution Unit, University College London, “Effective Scrutiny: tools and intended outcomes”, February 2005, p 14

⁵⁴ Ev 40, para 2.1. The Assembly may amend its own budget only by up to the same percentage increase (or decrease) that the Mayor sets for his own budget compared with the previous financial year.

39. The London Assembly in its submission asked for powers to amend the Mayor's capital expenditure.⁵⁵ When the Assembly made the same proposal in 2010 the Mayor disagreed

on the grounds that it could be bureaucratic, given that the Assembly already has the power to amend component budgets which include the financial consequences of capital investment and borrowing decisions. The proposals would not therefore add value.⁵⁶

Since then the Localism Act 2011 has given the Mayor further responsibilities for housing and for economic development in London, with substantial capital expenditure. He prepares capital budgets for: Transport for London (TfL); the Mayor's Office for Policing and Crime (MOPAC); the London Fire and Emergency Planning Authority (LFEPA); the London Legacy Development Corporation (LLDC); and the Greater London Authority itself, which includes expenditure on housing, regeneration and elements of Crossrail.⁵⁷ The Mayor produces a housing strategy for the capital and recommends the amount, type and location of new homes—subject to guidance from the Secretary of State for Communities and Local Government. The Mayor created the Homes for London Board in 2012 to oversee the investment of his housing budget and the use of land assets. The GLA has been given £3 billion in Government funding for capital investment, including £1.8 billion to invest in new affordable homes, to improve social rented homes and to undertake other housing initiatives, up to 2015.⁵⁸

40. When the changes were introduced in April 2012, the *Evening Standard* described them as “a rare example of a real consolidation of power for the Mayor of London”.⁵⁹ Professor Travers noted how the Mayor had been given “a bigger city-wide role in the delivery of housing.”⁶⁰ The Assembly, in its submission to us, drew attention to the proposed capital expenditure of £5.6 billion in the Mayor's draft budget for 2013–14, which it said

has increased significantly as a result of the Localism Act 2011 bringing London's housing budget into the GLA. There is also significant capital expenditure within the GLA budget in support of Crossrail.⁶¹

In oral evidence the Assembly Chair, Darren Johnson, added:

When the GLA was first set up, the overall budget was, I think, £4 billion a year. It is now up to £16.5 billion a year because of the additional powers that the Mayor has taken on in terms of housing and so on.⁶²

⁵⁵ Ev 45, para 6.5

⁵⁶ Letter to Secretary of State from Mayor of London, London Councils and the London Assembly, 23 July 2010, p 20

⁵⁷ The Mayor of London's Capital Spending Plan for 2013–14, February 2013, pp 3 and 18

⁵⁸ DCLG press release, “London to take control of its Olympic legacy, public land and funding”, 6 February 2012; www.london.gov.uk/priorities/housing-land/mayors-role

⁵⁹ *London Evening Standard*, “How can the mayor really help? What the new housing powers mean in practice”, 19 April 2012

⁶⁰ Ev 58, para 3

⁶¹ Ev 45, para 6.5

⁶² Q 111

41. As we noted in chapter 1, London also has a capital-wide Local Enterprise Partnership (LEP) to advise the Mayor on strategic investment, innovation and competitiveness. Its membership is drawn from London's business community and local authorities, and the panel is responsible for advising on the allocation of, among other investments, the capital's £111 million Growing Places Fund.⁶³

42. We asked Sir Edward Lister, the Mayor's Chief of Staff, who would scrutinise the Mayor's use of capital budgets, including the Growing Places Fund. He replied that "scrutinising will ultimately be done by the Assembly. They will need to look at these allocations."⁶⁴ When we suggested this might be done through a power to amend the Mayor's capital expenditure budgets, he restated the fact that Assembly Members "do not have the power to make line-by-line alterations to the budget."⁶⁵

43. Darren Johnson acknowledged, however, that line-by-line alteration might be excessive and "lead to delays". Instead, he wanted his colleagues to be able to amend "individual programme budgets"—the component capital budgets that the Mayor prepares for TfL, MOPAC, LFEPA, LLDC and the GLA itself.⁶⁶ We put it to Sir Edward that the Assembly should have greater power to scrutinise more discrete elements of the Mayor's budget. He replied:

They do scrutinise it. All the political parties have always put forward their own proposals; it is just that the Mayor has declined to accept any of their proposals [...] If there is something there the Mayor has not covered all the bases adequately, it will get exposed pretty quickly, and the power of the Assembly and the press will make sure it is corrected.⁶⁷

44. In relation to the Assembly's existing power to amend the Mayor's component revenue budgets—as we noted on the two-thirds threshold—the Assembly told us the threat of its use was as important as the power itself, because mayors "have been obliged to take notice of the Assembly's proposals."⁶⁸ In the final session of our inquiry we asked the Parliamentary Under-Secretary of State for Communities and Local Government, Brandon Lewis MP, to consider the matter. He said he would "have a look at [...] the issue between revenue and capital."⁶⁹

45. The Assembly has the power to amend the Mayor's component revenue budgets, including those for transport, policing, fire and the Olympic legacy. Given the Mayor's increased powers over housing, economic development and transport including a £5.6 billion capital budget for 2013–14, we see force in the Assembly's suggestion that it be able to amend the same components of the Mayor's capital spending. Overall since the mayoralty was established its budget has increased from £4 billion a year to £16.5 billion a

⁶³ See agenda and minutes of London Enterprise Panel, 26 September 2012, www.london.gov.uk/moderngov/ielistdocuments.aspx?Mid=4492.

⁶⁴ Q 37

⁶⁵ Q 38

⁶⁶ Q 111

⁶⁷ Qq 39–40

⁶⁸ Ev 45, para 6.5

⁶⁹ Q 134

year. This includes a £3 billion housing budget for the years up to 2015 and a £100 million economic development fund. This increase in spending power requires more detailed scrutiny. Although the Assembly has not used its existing veto over the Mayor's revenue budgets, the possibility of its use has been an important power. We cannot see that its extension to capital budgets would pose an unreasonable obstacle for the Mayor. The Assembly already has the power to amend revenue budgets, and these include the financial consequences of capital investment and borrowing decisions. But the power to amend the Mayor's capital budgets directly would enable the Assembly to focus its scrutiny on capital spending itself, thereby reducing the risk of any Assembly having to amend the Mayor's revenue budget when it had serious reservations about a capital budget. **We conclude that the Assembly should be able to amend the Mayor's planned capital spending, as it can his current spending. We recommend that the Government make the appropriate legislative changes to give the Assembly the same power to amend the Mayor's capital budgets as it has to amend his revenue budgets.**

The London Finance Commission

46. The London Finance Commission published its report in May 2013. It called for London government to have full control over council tax, stamp duty and business rates as well as the power to introduce new levies, such as a tourism tax. We note that the London Finance Commission's report devoted only one paragraph (in 92 pages) to the Assembly's role,⁷⁰ which does not suggest to us that was seen as playing a significant role in scrutinising financial plans and programmes.

47. The chair of the Commission, Professor Tony Travers, was one of our witnesses. He acknowledged that, if the reforms the commission suggested were implemented, giving the Mayor and the boroughs greater freedom over taxation and expenditure, "that would argue for the Assembly improving their game and/or having, perhaps, additional powers."⁷¹ Professor Travers contrasted the scrutiny resources available to AMs with that available to MPs in Parliament who can draw on the National Audit Office, individual Committee teams, which include specialists, the House of Commons Library and "a whole array of other sources with which scrutiny can be informed." Given that the core administration of the GLA works for both the Mayor and the Assembly, he suggested an "independent budget office" for London and that, "if there were full separation of powers, the Assembly would have something much more independent with which to scrutinise."⁷² We asked Professor Travers what difference this arrangement would have made if it had been in place when the mayoralty was introduced in 2000. He replied:

Big-ticket items like Transport for London would have been held to account more consistently and with greater backing for the Assembly than has been the case [...] it and any large corporation, such as the police in London as well, need to be under consistent, rigorous oversight by committees of the kind that exist in this place

⁷⁰ The London Finance Commission, "Raising the capital", p 79

⁷¹ Q 11

⁷² As above.

[Parliament], backed up by the kind of capacity the NAO has to inform the PAC [Public Accounts Committee]. I think that is missing.⁷³

The idea of an independent “Office of the London Budget” was, however, rejected by Sir Edward Lister: “The power of freedom of information and the power of the press, let alone the power of the Assembly, soon expose anything that is not as it should be.”⁷⁴

48. When the Commission’s report was published the Government said that, although it would be considered carefully, there were no immediate plans to devolve further powers to London. The Minister, Brandon Lewis MP, cited the Mayor’s existing “considerable financial power” and said that:

The Localism Act passed responsibility for housing, economic development and the Olympic legacy to London, in addition to transport, planning and the police already controlled by the mayor [...] Since April, London also keeps a significant local share of its business rates, which the Greater London Authority and London's boroughs split.⁷⁵

Mr Lewis told us he welcomed the report and said it was “useful to continue that conversation on where London goes next,” but given its implications beyond his Department and beyond London, he would have to discuss it with colleagues in other Departments. He also reiterated that “there are no plans at the moment to devolve further power.”⁷⁶ But on resources for scrutiny, he said that “the fact is that those issues have been raised with the Committee and you have raised them with me, so I will have a look at them and come back to you”.⁷⁷

49. If the London Assembly is to scrutinise the Mayor adequately, then it will need the resources to do so. The Government, as part of its formal consideration of the Commission’s report, should examine the Assembly’s future role in more detail and consider proposals for enhancing the resources available to the Assembly to conduct inquiries. The large organisations charged with providing services such as transport and policing in the capital already require rigorous oversight. As the Government has said, the Mayor already has “considerable financial powers”. Any enhancement of mayoral responsibility for tax or spending must include provision for an enhancement in scrutiny by the Assembly. This might be the opportunity for a clearer separation of powers, with further specialist scrutiny staff dedicated solely to the Assembly or, in the case of a budget office for London, completely independent of both the Assembly and the Mayor. ***We recommend the Government’s response to the report of the London Finance Commission on the Mayor’s tax and spending powers include a review of the Assembly’s ability to hold the Mayor to account. The review should include an assessment of additional and separate resources and expertise to enhance the Assembly’s financial scrutiny role and the establishment of an independent budget office for London.***

⁷³ Q 12

⁷⁴ Q 42

⁷⁵ *Public Finance*, “London Finance Commission calls for tax powers for capital”, 15 May 2013

⁷⁶ Qq 132–33

⁷⁷ Q 134

The Assembly and mayoral strategies

50. Under the Localism Act 2011 the Assembly has the power to veto mayoral strategies if it secures a two-thirds majority. This power was not extended under the Police Reform and Social Responsibility Act 2011 to the Mayor's Police and Crime Plan. In its written submission the London Assembly said that:

during the passage of the Act the proposal to introduce this new power [to amend or reject the Police and Crime Plan] was supported by the Mayor, Assembly and London Councils, and there is no substantive difference between the Police and Crime Plan and other mayoral strategies that justify it being excluded from these arrangements.⁷⁸

In making this suggestion the Assembly pointed out that the proposed power would not be available to police and crime committees outside London, but "this would not be unique in the Act".⁷⁹

51. We asked Sir Edward Lister whether the Mayor still supported the proposal. He replied:

Yes, there is probably a case for consistency in all of this, because it makes life easier for everybody [...] It is probably right that all of the Mayor's policies should have the same base point.⁸⁰

The Minister was less inclined to regard the differences we have described as "inconsistencies". Instead, he described them as "different situations for different parts of the Mayor's role." He described the Assembly's ability to block mayoral strategies if it secures a two-thirds majority, however, as "a useful thing to have as an extra check and balance."⁸¹

52. During the passage of the Police Reform and Social Responsibility Bill, the Mayor and the Assembly supported a proposal to enable the Assembly to exercise its two-thirds veto in relation to the Mayor's Police and Crime Plan. The proposal was not included in the 2011 Act, however. The Assembly can exercise this power with all other mayoral strategies, and the Mayor's support for the idea of extending it to his Police and Crime Plan was reiterated during our inquiry. In our view, to leave the current arrangements in place would perpetuate an unnecessary inconsistency. We see no reason why the Assembly's power to reject mayoral strategies should not apply to the Mayor's Police and Crime Plan. ***We recommend that the Government make the appropriate legislative changes to give the Assembly the power to reject the Mayor's Police and Crime Plan on the same basis that it can all other mayoral statutory strategies.***

⁷⁸ Ev 44, para 6.4

⁷⁹ As above.

⁸⁰ Qq 27–28

⁸¹ Q 139

4 A separation of functions and powers

53. In the previous chapter we made a number of recommendations aimed at allowing the Assembly to build on its effectiveness as a scrutiny body. Running alongside those recommendations is the question of whether that increased effectiveness requires also a more distinct separation of functions and powers. The next question we asked was how the Assembly, in order to become a dedicated scrutiny body, might be made distinct and separate from the Mayor of London.

The appointment of Assembly Members to executive positions

54. Assembly Members are entitled to sit on the boards of some GLA bodies but not others.

- The London Fire and Emergency Planning Authority (LFEPA) must include eight AMs;
- The Transport for London (TfL) board may include two AMs appointed by the Mayor. There is currently none;
- The Mayor’s Office for Policing and Crime (MOPAC) does not include Assembly Members but its work is scrutinised by the Assembly’s Police and Crime Committee;
- The London Enterprise Panel includes only one Assembly Member, who is also a Deputy Mayor;
- The London Crime Reduction Board and the Homes for London Board have no Assembly representation.⁸²
- Only the London Waste and Recycling Board (LWARB) includes an Assembly Member (Richard Tracey AM) who is not a Deputy Mayor, but he is the “Mayor’s representative”.⁸³ He gave evidence to our inquiry.

55. Unlike the Prime Minister, who is a Member of Parliament, and the First Ministers of Scotland, Wales and Northern Ireland, who are Members of their legislatures, the Mayor of London is not a member of the London Assembly. Although both are part of the GLA, the Mayor and the Assembly have distinct functions and are already to some extent separate. The issue is whether separation should be an essential part of the arrangements and taken to its logical conclusion.

56. Earlier in our report we cited Sir Edward Lister, the Mayor’s Chief of Staff, stating that: “The principle is for the Assembly to be a scrutinising body”.⁸⁴ In contrast and, in our view, reflecting a contradictory approach, the majority of the London Assembly said that

⁸² Greater London Authority website: www.london.gov.uk/priorities

⁸³ LWARB press release, “The Mayor and London Councils announce new LWARB board structure”, 2 October 2012

⁸⁴ Q 45; see also para 24.

any boards within the GLA group should include democratically elected representatives who can both fulfil governance functions and represent the views of the electorate in the decision-making process.⁸⁵

57. In oral evidence, the Chair of the Assembly, Darren Johnson AM, explained that the Assembly thought that, “where the Mayor does have boards under his control, it makes sense—for good, sound, democratic reasons—to have an elected member from the Assembly represented on that.” Mr Johnson thought there was a role for Assembly Members on GLA boards and on Assembly scrutiny committees but acknowledged that, if they were on the TfL board, for example, “you obviously would not expect the same member to sit on the Transport Committee at the Assembly”. He also noted how in local government and in Parliament, “some Members play a scrutiny role and some Members play an executive role”.⁸⁶ He added that because the Assembly was a body of only 25 members, an Assembly Member “may play a scrutiny role in one area—for example, health—and [...] an executive role in another area, such as transport. I do not see that as a fundamental problem.”⁸⁷ But the inconsistencies in the current situation in London emerged when we raised the issue with Richard Tracey AM, whom the Mayor has also appointed as Chair of LWARB. On the one hand, he said LFEPA should be modelled on the Mayor’s Office for Policing and Crime, which would mean excluding AMs; on the other, he said that the Transport for London board should include “some political input” from the Assembly or London boroughs.⁸⁸

58. The directly elected Mayor of Hackney, Jules Pipe, provided us with the counter-argument:

Here in Parliament, you have a clear split between the executive and the select committee scrutiny side. In local authorities, you have a clear split between those and the cabinet; they cannot sit on the scrutiny committees that scrutinise the work of the executive on the council. Clearly such a line is very much blurred with the Greater London Authority.⁸⁹

59. When we suggested to the Minister, Brandon Lewis MP, that the set-up in London was not the simple—and desirable—model of executive authority, scrutinised by a separate body, that he might like to see, he replied:

I wouldn’t disagree. With anything such as this, the simpler and clearer it can be, the better. That is part of the beauty of transparency. Don’t get me wrong: I will certainly go away and have a look at some of the specific issues raised [...] you are quite right. The simpler it is for everybody to understand, and the most transparent it is in that respect, the better it is for everybody.⁹⁰

⁸⁵ Ev 45, para 8

⁸⁶ Qq 114, 116

⁸⁷ Q 116

⁸⁸ Qq 77–78

⁸⁹ Q 76

⁹⁰ Q 138

60. Assembly representation on the boards of GLA executive bodies is confusing, contradictory and inconsistent. Ministers take executive decisions in Parliament but do not then sit on select committees to question their ministerial colleagues. We question how the public are supposed to disentangle a situation in which an AM can carry out scrutiny work in one area and perform an executive role in another as a Deputy Mayor or a mayoral representative on a GLA board. For the sake of the Assembly's credibility this situation has to change. On a small body such as the London Assembly, there is no room for Members having dual roles. Moreover, if Assembly Members were not sitting in the Mayor's cabinet or on GLA boards, they would be free to focus on scrutinising the Mayor's policies and holding him to account. But Assembly membership should not of course be an impediment to mayoral appointment; we want the Mayor to be able to appoint on merit the best people to his or her executive. If an Assembly Member is appointed to the Mayor's cabinet or to the board of a GLA organisation, they should relinquish their membership of the London Assembly. *We recommend that the Government make the appropriate legislative changes to remove the right of sitting Assembly Members to join the Mayor's cabinet or to sit on the boards of GLA bodies.*

The London Fire and Emergency Planning Authority

61. The GLA board with by far the biggest Assembly representation is the LFEPA board, which, as we note, includes eight AMs. It also includes seven representatives from London's borough councils and two mayoral appointees. During our inquiry we heard calls for LFEPA to be reformed along the lines of the Mayor's Office for Policing and Crime (MOPAC). MOPAC includes a Deputy Mayor for Policing and Crime but has no Assembly representation. Instead it is scrutinised by the Assembly's Police and Crime Committee.

62. Referring to the current arrangements for LFEPA, Professor Travers, Visiting Professor in the Department of Government at the London School of Economics, said:

It is a mind-tingling complication to have elected members from the Assembly on a board that I think most members of the public would think the mayor was responsible for [...] I think it then inhibits the capacity of the Assembly to scrutinise.⁹¹

Sir Edward Lister agreed, telling us "it would be better if it [LFEPA] were the same as the police, where you have an appointed mayoral adviser responsible for it and the Assembly scrutinises."⁹² Professor Travers also noted, however, that the situation was complicated further by the fact that, because LFEPA was created out of elements of the old Greater London Council, it included London borough council members as well as Assembly members.⁹³

63. We also heard about problems with the operation of LFEPA. Under the Greater London Authority Act 1999, the Mayor has the power to direct LFEPA to discharge his

⁹¹ Q 14

⁹² Q 45

⁹³ Q 14

instructions.⁹⁴ As Martin Hoscik, of *MayorWatch*, explained, the Mayor did so in January 2013 when LFEPA amended his draft London Safety Plan to remove any mention of fire station closures and fire appliance reductions. He said:

Given that the Mayor holds the power to overrule such a vote, it is debatable to what extent LFEPA can be said to be an independent, cross-party body merely reliant on the Mayor for some of its funding, rather than a body under his direct control.

Mr Hoscik suggested that

the governance arrangements [...] should be reformed along the lines of the Mayor's Office for Policing and Crime, with a new statutory Deputy Mayor heading a Mayor's Office for Fire and Public Safety which is then scrutinised by a committee of the Assembly.⁹⁵

A minority of the London Assembly—the Conservative Group of AMs—agreed. They too thought LFEPA should resemble the Mayor's Office for Policing and Crime.⁹⁶

64. We conclude that Assembly Members should concentrate on scrutiny, not serve on executive bodies that the Assembly scrutinises. The London Fire and Emergency Planning Authority, a functional body of the Greater London Authority, should not include Assembly Members. We recognise that LFEPA includes London borough council representatives, but as we have not sought evidence on their position we make no comment on their membership of LFEPA. This inquiry is concerned only with the role of London Assembly Members, and in that regard we conclude that they should not sit on a GLA executive body. ***The Government should reconstitute the London Fire and Emergency Planning Authority along the lines of the Mayor's Office for Policing and Crime, with a deputy Mayor for Fire and Emergency Planning and a dedicated Assembly committee along the lines of the Assembly's Police and Crime Committee to scrutinise it.***

The Assembly and mayoral appointments

65. In this final section we examine one further potential inconsistency: the arrangements for confirmation and pre-appointment hearings.

Confirmation and pre-appointment hearings

66. The Greater London Authority Act 2007 empowered the Assembly to hold confirmation hearings for specified mayoral appointments. These are the chairs or deputy chairs of

- TfL;
- LFEPA;

⁹⁴ Ev 36

⁹⁵ Ev 37

⁹⁶ Ev 45, fn 15

- the Cultural Strategy Group;
- the London Pensions Fund Authority;
- LWARB; and
- any Mayoral Development Corporation.⁹⁷

The Mayor can override any rejection. The Police Reform and Social Responsibility Act 2011, however, gave the Assembly's Police and Crime Committee the power to reject by a two-thirds majority the appointment of the Deputy Mayor for Policing and Crime when the appointee is not an Assembly Member.⁹⁸ The Mayor cannot override this decision.⁹⁹

67. The Chair of the Assembly told us that clearing up the anomalies created by different legislation drafted at different times “could be done fairly simply” and described the current arrangements as “a complete anomaly.”¹⁰⁰ When we put these apparent anomalies to Sir Edward Lister, the Mayor's Chief of Staff, he said that, like the Deputy Mayor for Policing and Crime, he had been subject to a pre-appointment hearing.¹⁰¹ Subsequently the Mayor's office clarified his response:

On the question of confirmation hearings and in particular whether Sir Edward had a confirmation hearing, Sir Edward did have a hearing with the entire Assembly, on 8 June 2011, however this was not a confirmation hearing, as defined under the Greater London Authority Act 2007, or a pre-appointment hearing, as defined under the Police Reform and Social Responsibility Act 2011, but a plenary session of the Assembly.

Also, the staff appointed by the Mayor under Section 67(1)(b) of the GLA Act (this is the power to appoint up to 10 staff on merit) are not subject to the confirmation hearing process.¹⁰²

68. Given that the Mayor's own Chief of Staff apparently found the arrangements confusing, we were keen to hear the Government's view. When we asked the Minister, Brandon Lewis MP, for his view on the mayoral appointment process, he referred to the strong mayoral model and said that

when the Mayor has been elected, they have the democratic mandate to be a very clear leader, and the ability for the Mayor to appoint their deputies is important.

Policing is slightly different, because the Mayor themselves sits effectively as what other places would refer to as the Police and Crime Commissioner.¹⁰³

⁹⁷ Greater London Authority Act 2007, section 4

⁹⁸ Ev 40–41 para 2.2

⁹⁹ Police Reform and Social Responsibility Act 2011, section 20

¹⁰⁰ Q 112

¹⁰¹ Qq 21–24

¹⁰² Q 24, fn

¹⁰³ Q 139

69. We agree with the Minister that the Assembly should not have the right to confirm or reject the Mayor as Police and Crime Commissioner; that is a job for the electorate. The Mayor does, however, appoint a Deputy Mayor for Policing and Crime, who, if not an Assembly Member, is subject—under the Police Reform and Social Responsibility Act 2011—to a pre-appointment hearing by the Police and Crime Committee. But this legislation has created an anomaly in the Assembly’s scrutiny powers. The Deputy Mayor for Policing and Crime is an analogous appointment to that of, for example, Deputy Mayor for Housing. We can see no reason for differences in the procedures for the two appointments. If a senior member of the Mayor’s cabinet is apparently confused by the process, what are the rest of us to make of it? *We recommend that the Government make the appropriate legislative changes and allow the relevant Assembly Committee to review and, if necessary, reject the Mayor’s appointment of any Deputy Mayor. An appointee who at the time of his or her nomination was an AM would be subject to this process. On confirmation the candidate should, as we have previously recommended, give up membership of the Assembly. This power of rejection should also apply to those whom the Mayor appoints as chair or deputy chair of those GLA boards specified in the 2007 Act.*

Conclusion

70. In its approach to the government of London, central Government has to stop building anomaly upon anomaly. As the Minister told us, “the simpler and clearer it can be, the better.”¹⁰⁴ The more the public understand the powers of the Assembly, the more confidence they will have in it—and the more willing they will be to accept any further expansion in the powers of the Mayor.

Conclusions and recommendations

Our inquiry

1. The Mayor of London holds the executive power in the Greater London Authority. We conclude that this model of government looks set to continue with the transfer of further powers to the Mayor through the Greater London Authority Act 2007, the Localism Act 2011 and the Police Reform and Social Responsibility Act 2011, and most recently in the current Mayor's call for greater tax and spending powers in London. Such a concentration of power in one person is uncharacteristic of the UK constitution, and this raises questions about the remit and functions of the London Assembly, which is charged with holding him to account. (Paragraph 12)

The job of holding the Mayor to account

2. We conclude that the Mayor has to be held to account for the substantial powers he exercises and that an Assembly composed of members able to focus on the same issues as the Mayor is the correct vehicle. Assembly Members, like the Mayor, have to be able to take a strategic view of the capital and its interests. We therefore support the current model in London for holding to account a mayor with extensive and growing executive powers, which is an Assembly directly elected by the London electorate. The corollary of a strong mayor must be a scrutiny body located at the same, in this case London-wide, level. (Paragraph 17)

The scrutiny role

3. In our view the future of the London Assembly can go in one of two directions—either towards becoming a legislature as in the United States of America or developing its role as a scrutinising body. While the London Mayors since 2000 have enjoyed high profiles, they do not exercise the range of powers and responsibilities of their US counterparts which would justify giving the Assembly US-style legislative authority. Indeed, the Assembly itself has not sought to become a legislature. The primary function of the Assembly is to scrutinise the Mayor. We have heard how effective the Assembly and its committees have been at doing so. In our view the route to follow is that the Assembly develop as a separate, independent body, clearly distinguishable from the mayoralty, and concentrating on scrutiny. Its focus should be on the Mayor and those issues affecting Londoners, such as transport, housing and economic development, where the Mayor has considerable spending powers. In turn this would maximise the impact of the Assembly's work. (Paragraph 27)

The two-thirds threshold

4. A balance has to be maintained between a strong Mayor who is able to implement his or her manifesto and an Assembly with the potential to make the Mayor rethink any ill-considered decisions. The current two-thirds threshold strikes that balance and we see no convincing reason to change it. (Paragraph 33)

Call-in powers

5. The power to call in mayoral decisions before they are implemented would make the Assembly's powers consistent with those of local councils that have directly elected mayors and provide a firm basis on which to replicate the Mayor of London's powers and the Assembly system elsewhere in the country. This power represents an important means of scrutiny but one that should and probably would be used sparingly. Given the Mayor already seeks to ensure his plans are acceptable to all parties, it seems no great leap into the unknown to provide the Assembly with this check on his authority. Indeed in the long run it has the potential to improve the overall efficiency of GLA decision making, and to ensure full scrutiny of important decisions before they are implemented. *The Government should make the appropriate legislative changes to require the Mayor to publish a forward plan and to provide the Assembly with the power to call in mayoral decisions.* (Paragraph 37)

Capital spending

6. We conclude that the Assembly should be able to amend the Mayor's planned capital spending, as it can his current spending. *We recommend that the Government make the appropriate legislative changes to give the Assembly the same power to amend the Mayor's capital budgets as it has to amend his revenue budgets.* (Paragraph 45)

London Finance Commission

7. *We recommend the Government's response to the report of the London Finance Commission on the Mayor's tax and spending powers include a review of the Assembly's ability to hold the Mayor to account. The review should include an assessment of additional and separate resources and expertise to enhance the Assembly's financial scrutiny role and the establishment of an independent budget office for London.* (Paragraph 49)

The Assembly and mayoral strategies

8. *We recommend that the Government make the appropriate legislative changes to give the Assembly the power to reject the Mayor's Police and Crime Plan on the same basis that it can all other mayoral statutory strategies.* (Paragraph 52)

The appointment of Assembly Members to executive positions

9. *We recommend that the Government make the appropriate legislative changes to remove the right of sitting Assembly Members to join the Mayor's cabinet or to sit on the boards of GLA bodies.* (Paragraph 60)

The London Fire and Emergency Planning Authority

10. *The Government should reconstitute the London Fire and Emergency Planning Authority along the lines of the Mayor's Office for Policing and Crime, with a deputy Mayor for Fire and Emergency Planning and a dedicated Assembly committee along the lines of the Assembly's Police and Crime Committee to scrutinise it.* (Paragraph 64)

The Assembly and mayoral appointments

11. *We recommend that the Government make the appropriate legislative changes and allow the relevant Assembly Committee to review and, if necessary, reject the Mayor's appointment of any Deputy Mayor. An appointee who at the time of his or her nomination was an AM would be subject to this process. On confirmation the candidate should, as we have previously recommended, give up membership of the Assembly. This power of rejection should also apply to those whom the Mayor appoints as chair or deputy chair of those GLA boards specified in the 2007 Act. (Paragraph 69)*

Formal Minutes

Wednesday 9 October 2013

Members present:

Mr Clive Betts, in the Chair

Bob Blackman	James Morris
Simon Danczuk	Mark Pawsey
Mrs Mary Glendon	John Stevenson

Draft Report (*Post-legislative scrutiny of the Greater London Authority Act 2007 and the London Assembly*), proposed by the Chair, brought up and read.

Ordered, That the Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 52 read and agreed to.

On the proposal of the Chair, and with the leave of the Committee, a single Question was put on paragraphs 53 to 65

Paragraphs 53 to 65 read.

Question put, That the paragraphs stand part of the Report.

The Committee divided.

Ayes, 5

Noes, 1

Simon Danczuk	Bob Blackman
Mrs Mary Glendon	
James Morris	
Mark Pawsey	
John Stevenson	

Paragraphs accordingly agreed to.

Paragraphs 66 to 68 read and agreed to.

Paragraph 69 read.

Amendment proposed, in line 20, to leave out from “this process” to the end of the paragraph.—(*Bob Blackman.*)

Question put, That the amendment be made.

The Committee divided.

Ayes, 1

Bob Blackman

Noes, 5

Simon Danczuk
Mrs Mary Glendon
James Morris
Mark Pawsey
John Stevenson

Paragraph agreed to.

Paragraph 70 read.

Question put, That the paragraph stand part of the Report.

The Committee divided.

Ayes, 5

Simon Danczuk
Mrs Mary Glendon
James Morris
Mark Pawsey
John Stevenson

Noes, 1

Bob Blackman

Paragraph accordingly agreed to.

Summary agreed to.

Resolved, That the Report be the Fourth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence was ordered to be reported to the House for printing with the Report (ordered to be reported for publishing on 25 February and 4 March, in the last session of Parliament).

[Adjourned till Monday, 14 October at 4pm

Witnesses

Wednesday 5 June 2013

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Martin Hoscik, Editor, MayorWatch, **Mayor Jules Pipe**, Chair, London Councils, and **Richard Tracey JP AM**, Chair, London Waste and Recycling Board Ev 13

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List of Reports from the Committee during the current Parliament

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2013–14

First Report	The Private Rented Sector	HC 50
First Special Report	Committee's response to the Government's consultation on permitted development rights for homeowners: Government response to the Committee's Seventh Report of Session 2012–13	HC 173
Second Report	The work of the Regulation Committee of the Homes and Communities Agency	HC 310

Session 2012–13

First Report	Park Homes	HC 177-I (CM 8424)
Second Report	European Regional Development Fund	HC 81 (CM 8389)
Third Report	The work of the Local Government Ombudsman	HC 431 (HC 615 & HC 650)
Fourth Report	Pre-appointment hearing for the Chair of the Audit Commission	HC 553
Fifth Report	Mutual and co-operative approaches to delivering local services	HC 112 (CM 8547 & HC 1091)
Sixth Report	Councillors on the frontline	HC 432 (CM 8582)
Seventh Report	The Committee's response to the Government's consultation on permitted development rights for homeowners	HC 830 (HC 173, 2013–14)
Eighth Report	The role of local authorities in health issues	HC 694 (CM 8638)
Ninth Report	Implementation of welfare reform by local authorities	HC 833 (CM 8635)

Session 2010–12

First Special Report	Beyond Decent Homes: Government response to the Committee's Fourth Report of Session 2009–10	HC 746
First Report	Local Authority Publications	HC 666 (HC 834)
Second Special Report	Local Authority Publications: Government response to the Committee's Sixth Report of Session 2010–11	HC 834
Second Report	Abolition of Regional Spatial Strategies: a planning vacuum?	HC 517 (CM 8103)
Third Special Report	FiReControl: Government response to the Committee's Fifth Report of Session 2009–10	HC 835
Third Report	Localism	HC 547 (CM 8183)
Fourth Report	Audit and inspection of local authorities	HC 763 (CM 8209)

Fifth Report	Localisation issues in welfare reform	HC 1406 (CM 8272)
Sixth Report	Regeneration	HC 1014 (CM 8264)
Seventh Report	Pre-appointment hearing for the Government's preferred nominee for Chair of the Homes and Communities Agency Regulation Committee	HC 1612
Eighth Report	The National Planning Policy Framework	HC 1526 (CM 8322)
Ninth Report	Taking forward Community Budgets	HC 1750
Tenth Report	Building regulations applying to electrical and gas installation and repairs in dwellings	HC 1851 (CM 8369)
Fourth Special Report	Preventing violent extremism: Government response to the Committee's Sixth Report of Session 2009–10	HC 1951
Eleventh Report	Financing of new housing supply	HC 1652 (CM 8401)

Oral evidence

Taken before the Communities and Local Government Committee

on Wednesday 5 June 2013

Members present:

Mr Clive Betts (Chair)

Mrs Mary Glendon

James Morris

Examination of Witnesses

Witnesses: **Professor John Stewart**, Emeritus Professor for Local Government, University of Birmingham, and **Professor Tony Travers**, Visiting Professor, Department of Government, London School of Economics, gave evidence.

Q1 Chair: Welcome to our one-off session on the Greater London Authority Act 2007 and the operation of the London Assembly. You are both very welcome: could you just say who you are and the organisation, if any, you represent?

Professor Stewart: John Stewart, and I represent no organisation. I am a retired Professor at Birmingham University.

Professor Travers: I am Tony Travers, from the London School of Economics.

Q2 Chair: I think we have seen you both before somewhere. Thank you once again for coming along to this session, which will be a relatively brief one: we have members who are engaged in other things, including the Chamber, this afternoon, which has cut across things a little bit. However, thank you for coming.

When you made comments about the 2007 Act, Professor Travers, you described it as being a “small extension of the GLA’s powers”, and Professor Stewart, you said it did nothing to strengthen the Assembly. I suppose the question is should it have done more, could it have done more, and was it really worth the effort for what it actually did?

Professor Travers: I think the 2007 legislation was a modest change. It was seen as modest at the time. It was only eight years after the original legislation creating the GLA, and we have seen a further modest iteration under the present Government in 2011. Could it have gone further as far as the Assembly is concerned? It certainly could have done, and of course it is always worth bearing in mind that the GLA, when it was introduced, was an unusual reform, a big change, creating a directly elected mayor with this Assembly that was not like existing elected councils in many, many ways. Of course that is not to say that the members who then went on to be on it did not think of it and try to operate it in some ways as if it were like that, but it was very different.

The modest reforms of the 2007 Act beg the wider, longer question of whether, at some point, the partly Americanised model of government represented by the GLA, with a mayor and Assembly, needs to be further reformed, so as to make it either a bit more like the American model from which it originates, or alternatively, slightly back towards the Westminster traditional local government model that we have all

been used to in Britain. I think it is a hybrid, and the Assembly in particular is a rather weak element in the hybrid.

Professor Stewart: As you know, Chairman, I am mainly interested in just this question—the relationship between the mayor and the Assembly. As Tony said, it was supposed to be based upon the American model, but I do not think it really was based upon the American model. Indeed, very few people who have commented on it, including the Ministers who brought it forward, ever discussed the role of the council in America, and I believe that the council in America has a much greater role than the Greater London Authority, which I could expand on later if necessary.

I regard the arrangement as completely flawed. You have created an elected body with effectively no powers except those that it can exercise under a two-thirds majority, which has never been attained at any time in the Authority. To have an elected body with absolutely no powers at all is a very strange thing, particularly since you are giving the mayor powers that it is unusual to give a single person—the power to set the budget, the power to pre-set, the power to tax are all unusual. I would have liked to see, in the 2007 Act or in the 2011 Act, more changes to give more powers to the Assembly—at least the position that applies in the rest of local government to the power of the mayor. There are very significant differences between the Act governing Greater London and the Local Government Act of 2000.

Q3 James Morris: Should it not just be abolished?

Professor Travers: Sorry?

James Morris: Should it not just be abolished, if it serves no function at all?

Professor Travers: The Assembly?

James Morris: Yes.

Professor Stewart: No. For all the powers it has, it could well be abolished—I agree that far—but there is the other alternative of giving it sufficient powers, rather than to have one individual who is virtually unaccountable for his four years in office. Again, that is a position that you do not find in most other countries. In most American authorities, there is a recall arrangement. In Germany, the council has exceptional powers that it can exercise to get rid of a mayor.

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Q4 James Morris: What should be its purpose? If you had a blank sheet of paper, what should be the purpose of a check-and-balance Assembly?

Professor Stewart: I believe the relationship should be that the council is the policymaker and the budget controller. It should in effect, nominally under the leadership of the mayor, set the policy framework and set the budget.

Q5 James Morris: Isn't that a massive constraint on mayoral power? Won't it constrain the mayor and he will not be able to achieve anything?

Professor Stewart: It is giving the Assembly the powers that Parliament exercises over the Prime Minister. It is giving the council the powers that the Scottish Assembly exercises over the First Minister there. It is the normal way. What is unusual is to have a system that has no checks and balances against the position of a single individual with taxing powers. If you think about it in that light, it is an incredible arrangement.

Q6 James Morris: How would that work in practice? The mayor would come up with a budget in consultation with the Assembly, and the Assembly would be able to vote it down on a simple majority?

Professor Stewart: Yes. Yes, that is the position that exists in most of local government, and it is certainly the position that exists in Parliament. It does not actually happen, but it is the formal position. Formal positions are important.

Professor Travers: If we go back to how we ended up with mayors—and I was more than John a supporter of mayors—I think that in particular the then Prime Minister, Tony Blair, saw directly elected mayors, and wrote accordingly, as a way of concentrating such power as was left in local government. In a sense, mayors are a paradoxical piece of evidence of how weak local government had become, because the then Prime Minister wanted to make the power of that office, or the executive part of a council, much more obviously visible in order that it could then exercise power. I think that is a fair description of the then Prime Minister's then view. He was on to something. There is no question: local government has become weaker over time in England and in the United Kingdom as a whole, and of course the challenge that John rightly points out is that if you go for this rather powerful individual, it does feel a bit alien in the British body politic. There is no question about that.

If you do not then have the conventional American separation of powers and checks, the question is: "How do you, in a British system, think through how the mayor is to be held to account without the whole thing being gridlocked all the time, with the Assembly behaving like an Opposition, and the mayor like the Government?" If the Opposition could always outvote the Government, it would not be much of a Government. I am afraid that what this points to, which is perhaps going too far today, is that there is a need with this model to think through how all the parts of it are constructed, so as to give the mayor reasonable power of the kind that was originally expected. Indeed, the current Prime Minister supports

this: David Cameron has made very similar points. However, you must come up with a model of an Assembly that is more like a city council in America and that creates a much greater chance of that Assembly, that city council, genuinely holding the mayor to account. There are lots of ways this could be done, even with the existing arrangement.

Q7 James Morris: Just as a final thing, why can the 32 boroughs not hold the mayor to account?

Professor Travers: I think that a committee of the boroughs as an Assembly could undoubtedly save money; I can see that. The main risk would be a risk of what I think Americans would call pork-barrelling. By that I mean the mayor, in order to get a majority to get his or her budget through, would have to do deals with the borough leaders, and that would undoubtedly involve carve-ups of what was spent where. I think the idea of having 14 super-constituencies out of the 25 members on the Assembly was to make them so big as to make that kind of behaviour difficult.

If you went to the borough, it would become even more likely. That is not to say that you could not construct a version of this that reflected the boroughs more effectively in the scrutiny and oversight of the GLA, but I think they are supposed to be separate levels of government. They are supposed to be separate kinds of government, and they each do a different job. On balance, I think probably not.

Q8 Mrs Glendon: Professor Stewart, you say the Assembly's representativeness is in part based on proportional representation, and that the Assembly has its own mandate, since its members have collectively been elected by the whole of London. The mayor is elected by the supplementary vote, however. How would we compare and weigh the strengths of the mandates?

Professor Stewart: One of the arguments for the mayor having such powers is that the mayor has a mandate, and therefore he must have the means of delivering it, but you are quite right: the Assembly also has a mandate, or different mandates. They are both representative bodies, but you could actually argue that because of proportional representation, the Assembly is more representative than the mayor, who will only have been elected by about half the people. The Assembly as a whole has been elected by, and represents, all points of view in the city. One of the arguments for the mayor's power is this mandate, but I believe that there is an equal argument for the mandate held by the Assembly.

Can I make just one other point on this? In many ways we are talking about the two-thirds rule. You require two thirds, which is slightly different from the American situation, where the mayor has a veto. That tends to lead to a gridlock situation. One of the things that has been happening recently in Parliament generally is the emergence of qualified voting. Until about 1995 there was virtually no example in legislation, or at most one, of qualified voting—Parliament setting a standard of two thirds that you have to reach in order to pass, rather than a simple majority.

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Since then, on my count alone—other people may be able to think of more—there have been five bits of legislation that have introduced a qualified majority: the Scotland Act, the Fixed Term Act, the Police Commissioners Act and the two Local Government Acts. Parliament or Select Committees should at some point consider the reasons for a special majority. What justifies it, why do you do it, when it is appropriate, if at all, and when is it not appropriate? How is the level fixed? What is magic about two thirds? Why two thirds? Why not 60%, 55% or 75%? It surely needs discussion, whereas there has been very little discussion of it.

Indeed, the one that applies in local government generally was not even in the Act. It was a very obscure bit of regulation—Standing Orders, Schedule One—that introduced the two-thirds for local government generally in relation to mayors, without any real discussion in Parliament. Yet it is a big constitutional change, isn't it, to start introducing qualified majorities?

Q9 Mrs Glendon: I would like to say, Chair, that I know a lot about the two-thirds majority, because we had the issue in North Tyneside Council that you might look into, whereby that did not hold against the mayor.

Professor Stewart: Yes, of course you will have experienced that.

Q10 Chair: We can have an argument about what percentage it should be, but is it more fundamental? As Professor Stewart was saying, it is really about the Assembly having the power to set the budget and the strategy, rather than the mayor having the power, and the Assembly having some sort of vague blocking mechanism.

Professor Stewart: Subject to the leadership of the mayor. You would expect the proposals to come from the mayor, in the same way as in an authority they would come from the leader.

Professor Travers: We are, as I say, tottering on the brink of moving. This is discussing the difference between the model we have and the model we might have if we went over to the full American version of this, in which there is no doubt that the city council would become a legislative body and the mayor would be the executive: the mayor could propose, but the city council would have to pass the legislation, budgets and so on for the mayor then to operate with as the executive. As in many aspects of the way the GLA was created, it is a compromise between the way we do things in Westminster and most of British and UK local government, and a pure American system. Again and again you can see how people in this country—I talked to the Ministers at the time who were involved in doing this, and know them well—were aware that they were trying to make it look like, and acceptable to, the British political system but nevertheless be radical.

There are other aspects of the way the Assembly functions—to wit, whether or not its Members sit on the board running the services for which the mayor is responsible—that are also terribly confused. There is a whole range of things about the way the GLA

operates, well beyond the scope of the 2007 Act, that probably need to be sorted out.

Q11 James Morris: Professor Travers, you chaired the London Finance Commission, which made some recommendations about quite significant devolution of financial power to the mayor. What are the implications were that to happen? What therefore would be the implications for the Assembly? How would its role fit in? It was only mentioned very briefly in that report.

Professor Travers: I think John's remarks earlier more than adequately pick up an issue, which is that precisely because the office of the mayor was deliberately designed to be powerful, and is powerful, the question of how the mayor is then held to account by the Assembly and other actors in the democratic system is most important. Clearly, if the kind of reforms that the London Finance Commission suggested were implemented, which would be to potentially give the mayor—but it might also be the boroughs—greater fiscal freedom, both freedom over taxation and indeed expenditure, and the mayor were the recipient of additional power, it begs a serious question about how the mayor is held to account. That would argue for the Assembly improving their game and/or having, perhaps, additional powers.

This is something I have written about in the past. If you compare the instruments and machinery available in this place to Select Committees and in particular the PAC—there is the National Audit Office, clerks, the House of Commons Library and a whole array of sources with which scrutiny can be informed—I think the Assembly remains underpowered in some of these aspects. For example, the question of whether there should be some sort of independent budget office is begged by the way the GLA was created, because again, going back to the heroic compromise, the core administration of the GLA works both for the mayor and the Assembly.

If there were full separation of powers, the Assembly would have something much more independent with which to scrutinise, and so on. I think that the Assembly definitely needs not only itself beefing up but also the capacity it has to dig into the mayor's budget and the mayor's strategies, and then to report on them.

Q12 James Morris: Just a slightly counterfactual question: if this had been in place when the mayoralty was created, what would have happened differently? What could the mayor, or London government in that arrangement, have achieved that has not been achieved in London over the last few years?

Professor Travers: If the Assembly were more effective?

James Morris: Yes.

Professor Travers: For a start, it would bring the benefits of consistent oversight of the mayor and particularly the big-ticket agencies that the mayor is responsible for, most particularly Transport for London, spending on economic development and indeed planning. Big-ticket items like Transport for London would have been held to account more consistently and with greater backing for the

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Assembly than has been the case. TfL is a very large corporation, and I think that it and any large corporation, such as the police in London as well, need to be under consistent, rigorous oversight by committees of the kind that exist in this place, backed up by the kind of capacity the NAO has to inform the PAC. I think that is missing.

Professor Stewart: To add to what Tony is saying, though it may be in part due to the resource thing, the Assembly has not equipped itself to carry out a real scrutiny of the budgetary process. If you contrast it with New York—where admittedly the legal position is different—a council in New York will consider the budget in four separate meetings. Between those meetings each committee will be holding public hearings on the report. The council form a view; the mayor will respond to it, and in that response again public hearings would be held by every committee, and again it will report back to the council, and the same would apply to policy statements. I do not think the GLA has equipped itself to carry out that scrutiny of the process, and in the end there is—and this is the official description of that happens in New York—prolonged negotiation between the council and the mayor about what will actually happen, after they have both formed their views.

Professor Travers: Very briefly, I think they will do that in the budget committee at the Assembly. The Assembly budget committee has functioned relatively well in terms that might have been hoped, but more generally all the things I have said apply.

Professor Stewart: Because the budget is not merely about budgeting.

Professor Travers: Yes. The budget is the one time of the year that they have consistently had this faint opportunity, with the two-thirds override, of imposing their will, although they have never actually managed to do it.

Q13 Mrs Glendon: The London Assembly say that, on occasion, mayoral planning priorities have received greater funding through Section 106 contributions at the expense of borough priorities, but the mayor says boroughs have continued their involvement in Section 106 negotiations after he has called in any applications. How do you assess the way in which the mayor has used the planning powers conferred on him by the 2007 Act?

Professor Travers: In truth, it is not something that I am hugely expert on. I have not followed it in detail. Planning is a subculture like housing, which you need to know a lot about in order to know a reasonable amount. All I would say is that in any of these borderlines where you have the mayor, the Greater London Authority and the boroughs all with overlapping powers and responsibilities, there will always be friction, with each side—each sphere of London government—thinking the other is getting a better deal out of it. This was always true: it is true in counties outside London, where it exists, but particularly in London, where you have those overlapping responsibilities. I would not quite be in a position, if I am honest, to say whether these powers were being effectively used or misused by either side now. I would not want to mislead you.

Professor Stewart: I do not regard myself as an expert on this particular aspect. The powers clearly are important, and probably more important in their effect, even beyond the exercise of the power. Once other planning officers and planning committees become aware that their powers may be called in by the mayor, they will take that into account in their own deliberations, for good or for ill.

Q14 Chair: One point that seems to be an inconsistency in these rather hybrid arrangements is that members of the Assembly can end up being on some of the bodies they are supposed to be holding to scrutiny, like the London Fire and Emergency Planning Authority, and also Transport for London, though I do not think any have been appointed there at present. Isn't that rather an odd situation, with mixed-up roles, where you have people elected to do the scrutiny who could actually be part of the bodies that will be scrutinised?

Professor Stewart: You would expect the scrutiny would normally be carried out by a committee of the assembly or council. It should be a requirement that people on the boards should not serve on those scrutiny committees. That would be the arrangement that would apply in local government generally. When you had police authorities, before the commissioners, you would not have scrutiny of the police by the local authority that included a member of it. The members could give evidence to the scrutiny committee, but scrutiny is best carried out by such committees, rather than by the council as a whole, where the issue of conflict of interest would arise. The process of scrutiny itself should be carried out by members who are not on that body.

Professor Travers: In some ways there is an even more fundamental problem. At its simplest, the model that was created under the 1999 legislation, which has been amended subsequently, was one in which the mayor is the executive power in the system. We talked earlier about how that might or might not be changed, but the mayor is the executive power, and the mayor operates through boards. There used to be four of them, and the machinery has changed since they were first created, but Transport for London explicitly does not have Assembly members on it, and actually I think that is the right way round—having an appointed board, as it if were a quango in national Government, although this is a board that the mayor chairs. It is therefore an extension of the mayor's remit, but operated through a separate board and with a separate executive.

A similar arrangement existed at the London Development Agency, but when you get to the Police Authority, when it existed, and the extant Fire Authority, you do have Assembly members on that board, and I think it is a mind-tingling complication to have elected members from the Assembly on a board that I think most members of the public would think the mayor was responsible for. It is not just that the mayor has policy-setting powers, but the public would expect it, and I think it then inhibits the capacity of the Assembly to scrutinise.

Of course the difficulty, given that the Assembly is relatively weak, is that what we are discussing would

5 June 2013 Professor John Stewart and Professor Tony Travers

be taking further things away from them and leaving them with what would appear to them like an even weaker role—what they would see as merely scrutiny. The Fire Authority, I should say, contains within it elements of the settlement after the abolition of the GLC, because it has borough members and Assembly members on it, so it is more complicated still.

Q15 Chair: So really we could look at tinkering with further changes to the Act, or we could go back and think: “What is the mayor for? What is the Assembly for?” and recast precisely what they do.

Professor Stewart: Yes, yes.

Professor Travers: I think so, and I think it would have implications for the big city mayors where they come into existence, and indeed in North Tyneside—where they exist outside London. Although the mayors outside the mayor of London, including the London borough mayors, are different in type, some of these issues also apply, and there are others besides, like the appointment of executives, that definitely need to be considered. If you have a political executive figure like a directly elected mayor in a British political system, the way people are appointed there needs to be handled with care, because we are not used to politically appointed executives. There are several things that need to be examined, if I am honest.

Q16 Chair: A final word? We have to conclude.

Professor Stewart: It is important that, in looking at this situation, you carry out a systematic comparison with a mayor outside London, because the legislative arrangements are different; indeed the concept is different. The mayor in London is almost a separate institution in his or her own right. The mayor—even a directly elected mayor—in the other authorities is a part of the same authority. The legislation makes clear that the mayor and council act together in setting the budget and policy framework. The mayor’s role is an executive role within that framework, in which the mayor of course is a leading figure in determining the nature of the framework, and a lot of the provisions in the two Acts are different. I think it would be important for the Committee to consider to what extent these are because of the special nature of the GLC—different sorts of functions, a different sort of election—or whether they are almost accidents of the Bill being drawn up at different times, with different Ministers and different civil servants involved in the process. At least it would enable one to look at two different concepts of the elected mayor.

Chair: Thank you both very much indeed. It has been really helpful to set this in the wider context of mayors outside this country and within the rest of the country outside London as well. Thank you very much indeed for coming along.

Monday 10 June 2013

Members present:

Mr Clive Betts (Chair)

Simon Danczuk
Mary Glindon
James Morris
Mark Pawsey

John Stevenson
Andy Sawford
Heather Wheeler

Examination of Witness

Witness: **Sir Edward Lister**, Chief of Staff to the Mayor of London, and Deputy Mayor for Planning, gave evidence.

Q17 Chair: Good afternoon and welcome, everyone, to this session on the Greater London Authority Act 2007 and the operation of the London Assembly. Sir Edward, you are most welcome this afternoon. Just for our record, if you could introduce yourself and say who you are, that would be helpful.

Sir Edward Lister: Edward Lister. I am the Chief of Staff and I am also the Deputy Mayor responsible for Planning and Policy.

Q18 Chair: Thank you for coming. The Committee is trying to look at the respective powers of the Mayor and particularly the Assembly in relation to the Mayor and the operation of the Act. In 2010, the Mayor said that the Assembly should have the power to summon anyone from inside the GLA group or from other relevant bodies to meet with them as part of their scrutiny functions, but last year the Deputy Mayor for Policing advised the Metropolitan Police Commissioner not to attend a meeting of the Assembly's Police and Crime Committee even though the Commissioner had been invited to go there. What is the position of the Mayor in terms of the powers of the Assembly in this matter? When the Deputy Mayor for Policing, given that he is not elected, acts in this way, is he acting on the authority of the Mayor?

Sir Edward Lister: I think there was some confusion, and I think this is where, in some ways, there is some confusion within the Act. The issue was not the attendance of the Deputy Mayor for Policing; it was more about the attendance at that same meeting of the Police Commissioner. The issue is that the GLA Act is about the Assembly being able to summon and scrutinise the Mayor—and the Mayor has deputised the Deputy Mayor for Policing as his representative on this—but it does not have the automatic power to summon the Commissioner of the Metropolitan Police. The role is to scrutinise the Mayor's Office for Policing and Crime, not to scrutinise the Metropolitan Police. That is a rather convoluted way of explaining it. In fact, I think everybody would agree that common sense prevailed and both attended, and it was resolved that way. The Act is about scrutinising the Mayor's Office for Policing and Crime. That was the confusion that was caused.

Q19 Chair: So the Assembly can summon anyone from outside the family, if you like—any outside organisation can be asked to send a representative—but when someone is acting within the framework of

the mayoralty, in this case the Police Commissioner, they cannot be summoned unless the Mayor approves. Is that right?

Sir Edward Lister: Basically, yes. Really, the Mayor's representative who should be there to answer the questions is the Deputy Mayor responsible for Policing and Crime. That is the correct route. As I say, at the end of the day, common sense prevailed and both attended, but that was the issue.

A better example of this conflict is perhaps the London Fire Brigade. There you have the Assembly, which is responsible for scrutinising, but a number of the Members of the Assembly are also members of the board of the Fire Brigade who are making the decision. You get this conflict between the two. You are getting members of the board who are making the financial decision, or whatever the executive decision may be—say, for example, the closure of a fire station—and then the Assembly, in theory, should be scrutinising themselves because they are members of the board. It is just messy.

Q20 Chair: Ultimately, we have a situation where an unelected Deputy Mayor comes to be held accountable and explain how he is holding the Metropolitan Police Commissioner accountable. It is a bit of a long process, isn't it, before you can get at the person who is doing the job?

Sir Edward Lister: The point of it is that the Mayor has appointed him as his adviser on this matter. This is the very structure. We have a very strong Mayor in London. That is the structure that was set down in the Act of Parliament: a very strong Mayor, with the Assembly scrutinising his decisions after the event. That is the model that is in place. The Mayor has power to appoint 10 executives plus two political appointments plus, in the Policing and Crime Act, the power to appoint a Deputy Mayor for Policing and Crime. They are the people who should be responsible for answering those questions.

Q21 Chair: There seems to be some degree of inconsistency in the appointment process for various people the Mayor appoints, doesn't there? I understand that the Deputy Mayor for Policing and Crime was subject to a pre-appointment hearing but you were not; you were simply appointed by the Mayor, end of story.

Sir Edward Lister: No, I was.

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Q22 Chair: Were you as well?

Sir Edward Lister: Yes. I had a hearing with the entire Assembly.

Q23 Chair: In terms of those powers, was it a requirement that you had to go to the scrutiny hearing, or was it at the Mayor's discretion?

Sir Edward Lister: The only two people who do not have to have an appointment hearing are the two political appointments. They are exempt. The other 10, plus the Deputy Mayor for Policing and Crime, are all subject to an appointment hearing by the Assembly, and they can make recommendations accordingly.

Q24 Chair: But the Mayor can ignore them.

Sir Edward Lister: The Mayor can ignore them, because they are his appointments at the end of the day.¹

Q25 John Stevenson: I want to explore the balance of power between the Mayor and the Assembly. As I understand it, the Mayor of London is the only elected mayor who is not required to publish a forward plan and whose decisions are not subject to call-in by the scrutiny body—the Assembly. There is an argument that, in many respects, the relationship is fundamentally flawed because the Assembly has few significant powers itself. Do you think the London Assembly serves its purpose at present?

Sir Edward Lister: Yes I do. I think it is the way in which the mayoralty was set up in the first place. It was modelled on a very strong mayoral model, more like an American mayoralty. You have a strong Mayor who has an electorate of 5.5 million people. The Mayor himself had over 1 million votes cast for him. You have got this very strong character who has all the power, and the Assembly is there to scrutinise after the event, not prior to the event. This very strong mayoral model is in place. There is power of veto on certain strategic plans, which were set out in the Act, but generally the strength of the mayoralty is that it gives consistency and certainty. I would argue that the model has worked extremely well for London. Over the years since 2000—since the Mayor has been in position—we have seen two very strong characters and we have seen London prosper as a result of having two very strong characters who have very much encouraged regeneration and development in London. They have done it in different ways, but they have done it very much from the front and led from the front. That strong mayoral model is the core of the Act, and the Assembly is there for a different purpose.

¹ On the question of confirmation hearings and in particular whether Sir Edward had a confirmation hearing, Sir Edward did have a hearing with the entire Assembly, on 8 June 2011, however this was not a confirmation hearing, as defined under the Greater London Authority Act 2007, or a pre-appointment hearing, as defined under the Police Reform and Social Responsibility Act 2011, but a plenary session of the Assembly.

Also, the staff appointed by the Mayor under Section 67(1)(b) of the GLA Act (this is the power to appoint up to 10 staff on merit) are not subject to the confirmation hearing process.

Q26 John Stevenson: I take your point. You seem to suggest, therefore, that in many respects the Assembly takes a back seat and that the Mayor is the driving force. The Assembly has the ability to reject certain policies of the Mayor on a two-thirds majority. Has that power ever had any impact on any mayoral decisions?

Sir Edward Lister: No, not to my knowledge. It is undoubtedly the case that the Assembly has asked difficult questions and that has led to modifications or alterations to plans. It is undoubtedly the case that those plans, after they are published, are subject to constant scrutiny, so a lot of effort is made to make sure that those plans are acceptable to all parties. It is very difficult, because at what point do you damage the mayoral model? The model is a very strong Mayor. That is what has been put before the electorate. Are you going to then say an Assembly is going to prevent the wishes of that Mayor, having been elected by over 1 million people?

Q27 John Stevenson: But you accept the two-thirds veto that the Assembly has. Do you think that should be extended to the Police and Crime Plan as well?

Sir Edward Lister: Yes, there is probably a case for consistency in all of this, because it makes life easier for everybody.

Q28 John Stevenson: To bring it into line, you would accept that the Police and Crime Plan should be brought under the two-thirds veto.

Sir Edward Lister: It is probably right that all of the Mayor's policies should have the same base point. At the moment, he has to have one-third of the Assembly supporting his proposals—or, to put it another way, if two-thirds are voting against, they can turn it down.

Q29 John Stevenson: You seem to be very much in favour of the strong model. Are there any changes that you would like to see, other than the one we have just discussed?

Sir Edward Lister: There is the whole area—and I do not know whether you want, as a Committee, to go into this—of the funding models.

John Stevenson: I think that comes later.

Sir Edward Lister: That is an area, and there were some proposals we made during the 2011 Localism Act that were turned down and may be worth revisiting at some point in the future. For example, the funding of The Royal Parks was one of those that were turned down, although the appointment of the Board of The Royal Parks is a joint appointment between the Mayor and the Secretary of State for DCMS. There are things like that that I think would be worth a re-visit.

The only other one I would mention is Health, where the Mayor has certain strategic powers but absolutely no resources. I think that was a big mistake. The original plans for that were that the Mayor would have about 3% of the public health budget to spend on pan-London campaigns. A decision was taken that this was increased bureaucracy, so it was rejected. The Mayor has a strategic health board with no money and no power to run strategic London-wide health campaigns, which to us is a missed opportunity.

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Q30 James Morris: Is there not an argument that the Assembly does not really serve any purpose at all and it should be abolished?

Sir Edward Lister: Having created this strong mayoral model, there has to be some counter-balance. There has to be somebody to do some scrutiny.

Q31 James Morris: Why cannot the 33 boroughs of London provide that democratic level of accountability to the Mayor? As a former leader of one of the boroughs, why do we have to have multiple layers?

Sir Edward Lister: I can understand that argument, and I think I may have made that argument in the past, but the position has moved. The trouble is that, at the end of the day, the borough leaders are always going to be concerned about their boroughs and about negotiations for their boroughs, and they are not going to provide proper scrutiny of the Mayor. They will only be interested in those things that affect them. That is the reality of the situation. I therefore feel that somebody has got to do the scrutiny. Somebody has got to call the Mayor to account. The Assembly do a good job of that, but it is important to recognise that you do have this very, very strong Mayor, and I think London has, as I have said already, benefitted from it. I think it works fairly well. We are fairly content with the arrangement and it does succeed.

Q32 Heather Wheeler: Hello, Sir Edward. It is nice to see you again. Can I come back to this business about the two-thirds threshold? Some people have said that a strong Mayor ought to be able to bring people with him and it maybe ought to be reduced to 60% or 50% so that he always has to have other parties voting with him. What is your view on that?

Sir Edward Lister: I come back to the point I was trying to make earlier—that you are then therefore telling the Mayor, who has been elected by Londoners in a first-past-the-post election, “You really have got to get agreement from at least two other political parties before you can make a decision.” I do not think that is tenable. I do not think you would deliver what is necessary for London. It would just be a matter of horse-trading between the political parties, and I would suggest that would create a weak Mayor.

Q33 Heather Wheeler: So your view would be that, if there was any mischief-making going on, it would enhance that, not make it better.

Sir Edward Lister: Yes. I think that all you would do is have this endless round of negotiations trying to pander to one political party or another’s wishes, just so you could get your strategic policy through. I do not think that is what Londoners want. They want whoever they are going to elect for four years to deliver on their manifesto.

Q34 Heather Wheeler: The Mayor is a Conservative Mayor. Is he, in effect, the leader of the Conservative Group? Do they work hand in hand, or is it a case of him saying, “I am the Mayor and there are Conservatives on the Assembly”? How far does he stand apart from the Assembly Members?

Sir Edward Lister: He stands quite apart. It is hard to explain this. Of course the Conservative Group is going to have similar views to the Mayor, as indeed the Labour Group had similar views to the previous Mayor. That is inevitable. The fact remains there is always a tension between the Assembly and the Mayor. There is a divide. It certainly is by no means the case that the Conservative Group will always agree with the Mayor or the Mayor will agree with the Conservative Group. It just does not follow. There is that tension that is always in play.

Q35 Heather Wheeler: I am slightly like a dog with a bone on this. On this idea about changing the majority and going for a simple majority, one of the suggestions we have read from the Conservative Group is that the Assembly Members ought to be specifically constituency Members. If everybody was a constituency Member rather than a top-up list Member, would you be able to create those allegiances so that you would be able to get things through on a first-past-the-post basis rather than a two-thirds basis?

Sir Edward Lister: I am not quite sure how the voting numbers would necessarily work. What has been quite clear is that both Mayors’ votes have been substantially out of line with their parties’ votes in the Assembly. It does not follow that because a Mayor of one particular party does particularly well, the political party in the Assembly will do as well. There is a divide between the two. The mayoral election is much more presidential in style; the individual becomes much more a part of it. That was seen with both Ken Livingstone and with Boris Johnson. They both commanded quite large personal votes that have been out of line with their parties.

Secondly, I think it is quite difficult. I think you would find, if everybody was a constituency Member, that they would regularly just be arguing for their constituency rather than taking a London-wide view about things. At the moment, because you have got a number of the Assembly who are London-wide, they are more able to take that view. One of the great things about the mayoralty is that—I think it is also true of the Assembly—they can make those hard decisions that constituency Assembly people cannot necessarily support or agree with.

Q36 James Morris: The London Finance Commission, chaired by Professor Travers, made some quite radical suggestions in relation to further financial devolution, and the Mayor talked about wanting to have greater discretion over capital expenditure. Why has it taken so long to begin allocating the £41 million of the London Growth Fund?

Sir Edward Lister: I do not agree that it has been a long time. The bulk of that money, both the £41 million and the subsequent £79 million that was allocated to the LEP, has largely been allocated. It has not been spent. That is the difference. The money is allocated, but the thing is that these are capital schemes and they do take a long time to work their way through. I think I am right in saying just on transport alone there is £25 million.

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Q37 James Morris: They require greater scrutiny. Who is doing the scrutinising?

Sir Edward Lister: The scrutinising will ultimately be done by the Assembly. They will need to look at these allocations. I am trying to say the money is committed, not necessarily spent. That is always going to be the case with capital schemes.

Q38 James Morris: The Assembly has called for powers to amend the Mayor's capital expenditure budget, but the Mayor has said he does not agree with that because it would be bureaucratic. Do you think the Assembly should have that scrutiny power or not?

Sir Edward Lister: The Assembly has the power to either accept or refuse his budget. They do not have the power to make line-by-line alterations to the budget.

Q39 James Morris: Do you think they should have greater power to scrutinise more of the discrete elements of the budget, rather than having to say either "yea" or "nay"? Would that not be a useful function for a scrutinising Assembly?

Sir Edward Lister: They do scrutinise it. All the political parties have always put forward their own proposals; it is just that the Mayor has declined to accept any of their proposals. They have put forward proposals. To give an example, going back to the earlier question, the Conservative Group put forward a number of proposals for reductions to the budget, which the Mayor refused as well. It is consistent.

Q40 James Morris: Do you think the Assembly should be given any other powers in relation to the financial arrangements, or are you arguing for the status quo?

Sir Edward Lister: I would argue for the status quo. I think it works quite well. If there is something there the Mayor has not covered all the bases on adequately, it will get exposed pretty quickly, and the power of the Assembly and the press will make sure it is corrected. That constant scrutiny role is there.

Q41 James Morris: Do you think the public in London perceive that the Assembly is doing anything in relation to the Mayor's budget? Do the public have any idea at all?

Sir Edward Lister: I think the public does have difficulty in understanding the Assembly model, but then the public also has quite a bit of difficulty at times understanding councillors and other things. I think when they talk about the Mayor of London, they just see the Mayor being Boris Johnson, or Ken Livingstone before him; they do not see anybody else.

Q42 James Morris: Under the previous Mayor, particularly in relation to the way the London Development Agency was allocating funding, there were calls for a more independent budgetary analysis of what was going on with the Mayor. Tony Travers I know has been calling for an independent "Office of the London Budget" to make sure there is transparency and scrutiny because of some of the issues in relation to the London Development Agency.

Sir Edward Lister: You could argue that the London Development Agency did not manage its finances as well as it should have done and ultimately probably led to severe damage to the mayoral candidate at that time. You could argue that that was one of the issues that led to Boris Johnson becoming Mayor. I am just saying the public scrutiny of all this is enormous, because every decision over £5,000 is published; it is all there on the website and people see it pretty quickly. The power of freedom of information and the power of the press, let alone the power of the Assembly, soon expose anything that is not as it should be.

Q43 Mrs Glendon: Professor Travers from the LSE told us that "the Mayor's formal relationships with the institutions that deliver services are inconsistent and hard for the public to understand". What do you think the Mayor's relationship with the GLA's functional bodies is? Are they independent and truly separate entities?

Sir Edward Lister: I can understand that comment. It is quite difficult to see these individual functions as all being the Mayor's functions. Transport for London has its own image, as do the Metropolitan Police, the Fire Brigade and so on. There is a difficulty, but I think when people look into it in any kind of detail, they soon realise it is the Mayor's responsibility. This is perhaps more of a marketing issue. We do need to do much more of branding them all "Mayor of London" so it is very clear who is responsible for them. I think that is a fair criticism, but it is more about us making sure we get the information out there. I would add that, if something goes wrong, they pretty quickly find the Mayor to blame.

Q44 Mrs Glendon: Would you consider the fact that the Mayor can overrule any decision of, for example, the London Fire and Emergency Planning Authority proves they are not truly independent?

Sir Edward Lister: We come back to this strong mayoral model. We have got a Mayor who is elected to make decisions. In some cases they are unpopular decisions, but they are important decisions. That is what he has been elected to do. He also has to make sure he provides a balanced budget for all of his functional bodies. The fire one is quite a good example of where I think there is a problem with the Act, because what you have got there is eight Members of the Assembly, seven members from the boroughs and two people appointed by the Mayor. You have got this body there; they have to produce a balanced budget and they made a decision that they did not want to produce a balanced budget. You have that situation, so where do you go? They Mayor then has no alternative but to issue a direction—which is exactly what he did—to insist that they do provide that balanced budget, and they did it by a particular method.

Q45 Mrs Glendon: You touched at the beginning of the session on scrutiny. The majority of the London Assembly say "any board within the GLA group should include democratically elected representatives". The Assembly's minority

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Conservative Group and MayorWatch suggest the London Fire and Emergency Planning Authority board, again for example, should more closely resemble the Mayor's Office for Policing and Crime, with a separate Assembly committee to scrutinise it. What relationship should elected Assembly Members have with such boards? Do you think they should sit on them or on separate Assembly committees in order to scrutinise them?

Sir Edward Lister: The principle is for the Assembly to be a scrutinising body, and it should be that. The only one where we have this particular confusion is the Fire Brigade board, which has Assembly people on it. I agree with the view that it would be better if it were the same as the police, where you have an appointed mayoral adviser responsible for it and then the Assembly scrutinises. I do not think that the board works. It is always going to be in conflict with the Mayor of the day, because the politics of it probably means it is going to contain a majority of other parties.

Q46 Mrs Glendon: The Mayor described the attitude of the Labour, Liberal Democrat and Green board members in opposition to his safety plan as "irresponsible". Do you think that was a fair comment?

Sir Edward Lister: The reason he made that comment, just to explain it, is that if the Fire board does not make a decision by July, so they can implement things by circa September/October, you move into the area where you will have to make compulsory redundancies. That is the reason for trying to make a decision early: to avoid any compulsory redundancies. If you left it until later, there would be, in the Mayor's view, compulsory redundancies. That is why he made that comment.

Q47 Chair: One of the things that seems to be a theme from this is that there is a role for Assembly Members in holding the Mayor to account, but there are some potential conflicts, like the fact that you have got Assembly Members on the Fire board. I can see that is the statutory position you are faced with. In a few minutes' time, Richard Tracey is going to be giving evidence to us. He has been appointed by the Mayor to the London Waste and Recycling Board, as I understand it. Isn't that the Mayor adding further confusion to the role of an Assembly Member? Richard Tracey is both an Assembly Member and the Mayor's representative on that Board. You have highlighted a problem of the Act causing this confusion, but hasn't the Mayor added to it?

Sir Edward Lister: I think I would answer it in this way: yes, you do have an Assembly person who is chairing that committee, but I do not think there are any other Assembly people on the committee; they are all outsiders from City Hall. I do not think it particularly matters. Mr Tracey is in the same political party as the Mayor and he has chosen to appoint him on that basis.

Q48 Chair: I was trying to get at the fact that you were saying before that there was a clear division between the Assembly and the Mayor, and perhaps that ought to be made clear in terms of fire, but in

another area it is actually the Mayor that is causing the confusion.

Sir Edward Lister: I was trying to highlight with the Fire Brigade that the Fire Brigade board was in fact making decisions that were contrary to the decisions of the Mayor of the day. The Mayor of the day wanted a balanced budget, he wanted it achieved within a certain timescale, he wanted to avoid compulsory redundancies, etc., and the board was acting in such a way as to circumvent that. That, I would suggest, is a difficulty if you have got a strong mayoral model, and it might be better not to be in that position in the first place.

Q49 Simon Danczuk: Good afternoon, Sir Edward. *Planning* magazine reported on 25 March that the London Authority "has so far failed to deliver even the 32,000 new homes a year required by its own 2011 London Plan. Last year, the capital's housing stock expanded by only 25,000 homes." What is going wrong, Sir Edward?

Sir Edward Lister: It is called the economy. The London Plan makes it clear that London needs to deliver 32,000 housing units per year to meet what were the census needs at that particular point in time. In a good year, the London housing market has delivered about 27,000 housing units a year. This is all categories. This is not just social housing or anything else; this is the total. There is a shortfall that is running through, and has consistently run through for many years.

Q50 Simon Danczuk: What is wrong with the economy?

Sir Edward Lister: The construction industry switched off for a long period of time and is running at too low a level for London's needs. We need substantially more housing built in London to meet the growing population.

Q51 Simon Danczuk: Are you saying that construction firms do not have enough people to build properties? Do they not have the capacity?

Sir Edward Lister: No, I am saying that the finances and the capacity within the construction industry are not sufficient to meet demand in London, and it needs to be boosted significantly to meet the growing London population. That is a matter both of finance and of capacity within the industry.

Q52 Simon Danczuk: Why did affordable housing completions halve in 2012–13, to almost 40% below the London Plan target?

Sir Edward Lister: Housing completions overall in the first term of the Mayor came to 52,000, and in this term of the Mayor, by the time the four years are out, will be about 50,000.

Q53 Simon Danczuk: Just to be clear, the London Plan said that you would build 13,200 properties in 2012–13, but you actually completed 8,114 properties. I am asking you, Sir Edward, why there was a 40% reduction on what you were aiming to produce in terms of affordable properties, which you will know

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as well as I do are very important to poorer Londoners.

Sir Edward Lister: Absolutely. What I am trying to say is that it is a lumpy system that is at play here with the funding that comes through. As City Hall, if you look over the four-year period of the mayoralty programme, we have hit the numbers we have set out. On a year-by-year basis it is very, very lumpy and it goes up and down. That is partly the way the funding has come through—it comes through in fairly small packets—and, secondly, it is a timing issue of getting those units through. What I am saying is the Mayor will deliver his target, but over a four-year period, not on a year-by-year basis.

Q54 Simon Danczuk: You have said, Sir Edward, that the Mayor should be building 50,000 units each year. When is he going to start building that many houses each year?

Sir Edward Lister: I never said the Mayor should be doing that. I am saying that London needs 50,000 units a year.

Q55 Simon Danczuk: When will that be achieved?

Sir Edward Lister: That is a question that is much wider than I can answer. That is about the capacity of the economy to inject quite significant sums of money into the housing programme and into the housing market. All I am saying is that London's population currently is 8.4 million; it has gone up by 380,000 since the Mayor was elected in 2008 and it will go up to over 9 million by the early 2020s and over 10 million by the early part of the 2030s. That kind of growth trajectory says that you have got to be building significantly more homes than we are getting at the moment to meet that demand.

Q56 Simon Danczuk: To be clear, Sir Edward, the Mayor has been given additional enhanced powers around housing. If he is not going to use them to build more homes, when do you think that target of 50,000 will be reached?

Sir Edward Lister: I am sorry. He will meet that target by the end of his four-year period. In 2016, 50,000 social housing units will have been built.

Q57 Mark Pawsey: Sir Edward, I wondered if I might ask you about the Mayor's powers with regard to planning, which I know is an area of particular interest to you. I wonder if I can start with the Community Infrastructure Levy. I know you have made some remarks about the expectations of what can be achieved through the Community Infrastructure Levy. Could you just expand on that?

Sir Edward Lister: Yes. It comes back a little bit to the previous set of questions, if I may. On any site, there is only so much viability as to what you can build. If you have very large CILs in place, it does reduce the affordable housing that can be provided as part of any Section 106 arrangement on that site. You have firstly got a mayoral CIL to pay for Crossrail, which is out there and is working well. You have now got boroughs bringing in their own CILs. That is undoubtedly affecting the viability and ultimately can reduce the amount of affordable housing that is

provided, if you are exiting quite a bit of money into other things.

Q58 Mark Pawsey: There seems to be a disagreement between the boroughs as to where the CIL should be used and the Mayor's objectives of what the CIL should be used for, which I understand is going entirely to Crossrail. Is that the case?

Sir Edward Lister: The mayoral CIL is entirely for Crossrail. That is right across London. It is between £20 and £50 per square metre.

Q59 Mark Pawsey: To how many applications has the mayoral CIL been applied?

Sir Edward Lister: It is applied to all applications, automatically. There has been no planning application that has gone in that has not put its share of money into the CIL.

Q60 Mark Pawsey: At any size of property?

Sir Edward Lister: At any size.

Q61 Mark Pawsey: Why is there a disagreement between the boroughs and the Mayor as to where that CIL should be used?

Sir Edward Lister: There was a view taken by a number of boroughs—it is an understandable view—that if they were not on the Crossrail route, why were they contributing towards Crossrail? It is not of benefit to their borough, so why should they do it? The answer to that is that the decision was made to make Crossrail the funding priority for London. The deal with the Government in order to raise the necessary monies to build Crossrail was that there would be a business-rate levy, there would be a CIL, there would be Section 106 monies prior to the CIL coming in, and then the rest of the money was going to come from central Government. That is how the deal was done to get that scheme off the ground, which was supported by all of London.

Q62 Mark Pawsey: Is it inevitable, then, that there is a conflict between the boroughs and the Mayor as to where the money should be used?

Sir Edward Lister: Yes. If you are, for example, in south London, you do not see the benefits of Crossrail, but I would argue in due course, when Crossrail is completed and we hopefully move on to Crossrail 2, we will go a different route and some of those boroughs will see the benefit of that CIL, while others who benefitted from the first one will be paying into that one. I think that is the case in a London-wide CIL.

Q63 Mark Pawsey: Do you see that as the scenario: that there will be a project coming along later on from which those who are not benefitting from the current CIL will benefit?

Sir Edward Lister: Over a long-term period, yes. The principle, though, is that the Mayor has a CIL for transport that is clearly targeted to what he sees as being the most pressing and most important transport infrastructure for all of London.

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Q64 Mark Pawsey: There is a level of development where the Mayor can call in. Could you confirm how many times the Mayor has called in an application?

Sir Edward Lister: He has called in six schemes. I think it is six, from memory; I can look it up.

Q65 Mark Pawsey: In your view, is the threshold at which the Mayor would call in an application transparent and clear to everybody?

Sir Edward Lister: Yes, I think it is. In each case, there has been a very clear reason why he has called in those particular schemes. They were all schemes of some significance to London. One of them was a waste transfer facility. Others have been offices or residential properties. There has been a reason in each case. That has all been transmitted to the local authorities at a very early stage. There was a full hearing that took place, and all the parties were represented, so the whole thing was done with enormous transparency—far more transparency, I would suggest, than the normal planning committee in any local authority.

Q66 Mark Pawsey: So, you would not agree with the London Assembly, which has said that “the Mayor has rarely made these criteria explicit”. You think they are explicit.

Sir Edward Lister: I think it has been very clearly set out in the stage 1 reports that have been prepared by the Mayor. Just to explain the timelines, when a planning application that is referable to the Mayor comes in—as soon as the Mayor’s office is notified—we have six weeks in which to make comment, which we do. Those comments go in; they are digested by the local authority and then that local authority makes their decision. We have two weeks then to react to that. The Mayor can agree that the local authority should make the decision, take a view that the planning application should be turned down, or take it over himself, which he has the power to do.

Q67 Mark Pawsey: You are happy that the criteria are set at the right level and sufficiently transparent.

Sir Edward Lister: I think the fact that it has only been used six times speaks for itself.

Q68 Mark Pawsey: May I just ask you about the mayoral development corporations? Isn’t there a danger that the Mayor is being compromised by the potential to be both the planning authority and a developer?

Sir Edward Lister: I think this is probably no different from any local authority in many ways. He takes responsibility as chairman of the mayoral development corporation. He has a duty to make sure that that delivers against its clearly set out objectives. He has a planning committee there—which he is not on and plays no part in—which meets and considers any planning applications that come in. In due course, they act exactly the same way as a borough: they refer it to the Mayor’s office, and the Mayor then reviews it as part of his normal planning powers.

Q69 Chair: You talked about the unique nature of the mayoralty in London, in particular the very strong powers that the Mayor has. Do you think there is any way in which the model that exists in London could be effectively rolled out into other parts of the country, or is it there specifically because London is a very different place?

Sir Edward Lister: I find this a very interesting question; somebody made the point I was a borough leader at one stage, and I do not think I was particularly enamoured with the idea of elected mayors. I have to say my views have changed significantly since I have been so closely involved with an elected mayor. I think it does work. It provides a clarity of leadership that is not achieved by the normal methods that we have out there. Certainly for big urban areas, it does work and it works extremely well. It will be interesting to see what happens with Liverpool and Bristol as this moves forward. The strong mayoral model does give a clarity and leadership to the city that you do not get by other means. I am very much in favour of it.

Q70 Chair: In those other models in the other cities you mentioned, the mayor will have a little bit more constraint on their actions because of the slightly stronger powers that the council has over and above those that the Assembly has in London.

Sir Edward Lister: That is right, and it is more likely that, in those circumstances, they will run some kind of cabinet structure with councillors, which is something we do not really have in London. My own view, and this is just a personal view, is that the London model does work. It is a model that could be transmitted, certainly to the big cities like Birmingham and Manchester. It would work well for those cities.

Q71 Chair: I am tempted to ask whether, if you had had the same model in Wandsworth those years ago, you would have done a better job as mayor, rather than council leader.

Sir Edward Lister: It is an interesting one. I do think it creates real clarity for the electorate. They can really see what is going on. I think it focuses attention in a way the other system does not. The fact that the turnout for London was a good turnout—there has been a good turnout for each election—does show that people do get interested in the London mayoralty elections. That is good for democracy.

Q72 John Stevenson: The elected mayor, you are suggesting, would work for big cities. Do you think it would work for places like county councils?

Sir Edward Lister: I have to say I do not really know enough about county councils to make any real observation. I am sorry.

Chair: Thank you very much indeed for coming in this afternoon and giving evidence to us. Thank you.

Examination of Witnesses

Witnesses: **Martin Hoscik**, Editor, MayorWatch, **Mayor Jules Pipe**, Chair, London Councils, and **Richard Tracey JP AM**, Chair, London Waste and Recycling Board, gave evidence.

Q73 Chair: Good afternoon. I welcome the three of you to the continuation of our evidence session. For the sake of our records, could you just say who you are and whom you are representing?

Martin Hoscik: I am Martin Hoscik. I am a freelance journalist and writer. I comment on City Hall. I run the MayorWatch.co.uk website.

Jules Pipe: My name is Jules Pipe. I have been the directly elected Mayor of Hackney for the past 10 years and, for the past three or so years, I have been the Chair of London Councils.

Richard Tracey: I am Richard Tracey. I have been the directly elected Assembly Member for Merton and Wandsworth since 2008, and I am also, incidentally, the Deputy Leader of the Conservative group in the Assembly, as well as Chairman of the London Waste and Recycling Board, the Mayor's representative. I am the Conservative leader on transport in the Assembly, too.

Q74 Chair: London Councils has basically said that "London needs an effective mayor ... but [that] is not sufficient"; to get sustainable solutions you need the Mayor working with "London's boroughs ... in partnership". That statement does not leave much room for the Assembly to do anything, does it?

Jules Pipe: I think they are two very different, distinct roles, aside from the slight blurring that you highlighted before about Richard's position. That is perhaps more to do with the room for manoeuvre for the Mayor to a point and the people he can draw on to a point. That aside, they are two distinctly different things: the Assembly to scrutinise; the boroughs and borough leaders engage with the Mayor on delivery and joint delivery. There are two separate roles.

Q75 Chair: The Assembly does have a role then.

Jules Pipe: To scrutinise the executive Mayor of London, yes.

Q76 Chair: Then it starts to get quite confusing, doesn't it? You have alluded to Richard Tracey's responsibilities, and there is a whole range of different approaches on different bodies: you have the Fire and Emergency Planning Authority board, which has Assembly Members on it; then you have the police arrangements now, which is effectively a mayoral office. Does that confuse the boroughs as much as it must confuse the public about where the Assembly Members sit and who is responsible, who is accountable and how scrutiny is done?

Jules Pipe: I am not sure whether it confuses the public. No one has ever raised it with me until now. It clearly is not logical. Here in Parliament, you have a clear split between the executive and the select committee scrutiny side. In local authorities, you have a clear split between those and the cabinet; they cannot sit on the scrutiny committees that scrutinise the work of the executive on the council. Clearly such a line is very much blurred on the Greater London Authority.

Q77 Chair: Richard Tracey, you obviously have more than first-hand experience of this. You have been a member of the fire board. You were there as an Assembly Member, but on the Waste and Recycling Board, you are an Assembly Member but you are not actually there as an Assembly Mayor; you are there as the Mayor's representative. Does that confuse you on occasions?

Richard Tracey: No, it does not confuse me. Having been here as well in the past and having been in politics for about 40 years, I do take quite an interest in these things, so I do understand it. Frankly, as to the overall situation, the legislation that set up the mayoralty and the Assembly in the first place, in 1999, was perhaps, if I may say so, slightly defective, because it is not totally understood by the public.

Going to your specific question, I was indeed on the London Fire and Emergency Planning Authority as an Assembly Member and as, indeed, the Vice-Chairman. I have to say from my experience there for two years and since, with the matters that you have already discussed, I know, with Edward Lister, I do believe that probably the London Fire and Emergency Planning Authority ought actually now to be changed to follow the same as the Mayor's Office for Policing and Crime. We ought to have a Deputy Mayor for fire and emergency planning. As you know, MOPAC, as it is called for short, has a Deputy Mayor who is not an Assembly Member but is appointed from outside. He has various assistants and deputies, but he is scrutinised by the Assembly's Police and Crime Committee. That is my view on LFEPAC.

The London Waste and Recycling Board is a completely different entity, as you know. We work very much in a partnership with the boroughs. I believe it is a very good partnership because there are only two people from the GLA, from City Hall, on it. I am there as the Mayor's representative and then there is the Mayor's environmental adviser, one of the people working around him on the eighth floor of City Hall. In addition to that, we have four very experienced councillors who were elected, initially, in London Councils and the appointed. They are very fine authorities on the matter of waste management, and then we have two independent people also from London Councils to help with the financing of the very complex projects that we deal with. I do not personally feel there is any problem of conflict there. We work very much as a team, and we are not caught up in votes and all that sort of thing.

Q78 Chair: Your general view would be then that, for all these sorts of bodies, the Assembly should not be appointing members to them; they ought to be mayoral appointments. If somebody who is a Member of the Assembly happens to be on there, it is because they are a mayoral appointee. Is that your view?

Richard Tracey: Yes, I personally take the view, and I think my colleagues in the Conservative Group do as well, that there should be some political input on the Transport for London board—Assembly Members. It is something that I have argued to the

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Mayor, and I think he is partly convinced by that view. It just seems to me that, with regard to the Transport for London board, the only real scrutiny of Transport for London happens in our Transport Committee. I think we do a good job of that, but we could do a much better job if Transport for London's own board had some political input.

Q79 Chair: Isn't that contradictory to what you have just said?

Richard Tracey: No, of course the political input could come from elsewhere. It is possible that it could come from the boroughs, but it just seems to me that the Transport for London board, as I see it, lacks political input. It is a collection of people from business right across the board, but it could do with some political input to make it, frankly, more sensitive to the needs of the London public.

Q80 Chair: Martin Hoscik, could we have your views on these matters?

Martin Hoscik: Yes. I think there is an understandable tendency for the Mayor to look to appoint Assembly Members particularly from his own party. If he appoints too many people from outside, it looks like cronyism; it looks like appointing people who have not had any kind of democratic scrutiny to key positions, and then he is saddled with a series of headlines that say he has appointed friends, people who are big business investors or investors in his campaign. There is a natural tendency for him to look towards his own group for people, but I would prefer to see fewer Assembly Members appointed and for all of us to be big enough to understand that the job is just too big for the Mayor to do all of it himself. A lot of the functions are being carried out in the Mayor's name by people he trusts. Actually, Sir Edward Lister is a good example of somebody who has been brought in from outside City Hall and who brings a skill-set that the Mayor does not have.

Q81 Mark Pawsey: My questions are mostly directed at Mr Tracey, because I want to talk about the London Waste and Recycling Board and its future viability, if you like. The Mayor said recently that its ability to keep going depends on making the case to Government for funding in the next Spending Review. DEFRA has confirmed that there is no funding available for 2013–14. How are you going to keep going?

Richard Tracey: We accept the view that of course there is a need for continuing funding from somewhere. The London Waste and Recycling Board has of course been in place only for five years, so far, starting off with some initial funding from DEFRA, but we have invested a considerable amount of money in various projects to cut down on waste and particularly, of course, to cut down on landfill. We do not make grants in the normal way, particularly for projects that are being set up to deal with waste, whether it be anaerobic digestion or other means of handling waste. We make loans and, in fact, we have put in, I guess, about £18 million, I think. We can obviously write to you with further details, but we have had considerable return from that, and we

believe that, over the lifetime of the projects on which we made these loans, when the loans are repaid to us, there will be the money back there to invest in more. In actual fact, we would like to be self-perpetuating with our own funding. We are getting money from Europe as well and, we are hoping also now, with the Mayor's creation of the LEP, the local enterprise body, to gain some funding from there. It is very important; waste is a very big problem, as I am sure you are very well aware, and it needs to be dealt with.

Q82 Mark Pawsey: You referred earlier to complex projects, so the Board is investing in these new infrastructure projects. When on the business model do you expect to be self-financing?

Richard Tracey: We would hope, certainly, within the next few years. We have established now the first large-scale anaerobic digestion plant, the construction of it, in the East End of London. We have four other similar projects in various areas of the handling of waste and, indeed, creating energy from waste, whether it is by gasification or indeed by producing it. Once they are up and running, they are repaying us the loan that we made. It is very difficult to get the private sector to fund these things in the initial stages. That is why we are there—as a catalyst to deal with that.

Q83 Mark Pawsey: What you are collecting is a resource, rather than something to be disposed of.

Richard Tracey: Yes.

Q84 Mark Pawsey: Are you developing markets for the recycled material?

Richard Tracey: Recycling, yes. I was dealing with the infrastructure projects to deal with waste by anaerobic digestion or, indeed, possibly by incineration and so on. We are concentrating very greatly on recycling and with some considerable success, because we are working with the boroughs right across the board and the various waste collection authorities, which are the boroughs; we are working with them. I think the recycling percentage of the 20 million tonnes of waste in London is about 55% to 57% now of recycled material. On top of that, we have set up something that is quite new, which is the London Re-use Network. I remember when I was a young man; I believed that you could re-use things. These days, or at least certainly in the last decade or so, things were thrown away and always had to be replaced with new, but now we are having some considerable success with the London Re-use Network. Indeed, we are creating jobs.

Q85 Mark Pawsey: On that point, I understand that the number of jobs created is one of your measures of performance. First of all, why should jobs created be a measure of performance? Clearly, this is about dealing with the capital's waste. How successful have you been in creating jobs?

Richard Tracey: At the moment, we are on about 300 jobs, but it is work in progress. Frankly, I am sure we all agree that creating new jobs, wherever they are, is a very good thing. We see that as a great extra benefit from what we are doing. As well as handling

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London's waste, we are creating some jobs for people within the capital.

Q86 John Stevenson: The London Finance Commission has proposed some new tax-raising powers and also greater collaboration between the Mayor and the boroughs. If that were to happen, how would the scrutiny work with the new arrangements, particularly between the Mayor and the boroughs, and where does that leave the Assembly?

Martin Hoscik: To the degree this touches on the question about whether or not the boroughs could scrutinise the Mayor instead of the Assembly, the Mayor and the boroughs are going to be fighting over the same pool of money. They are going to be looking at CIL money. The boroughs are always going to have a vested interest that competes against the Mayor's vested interest. Actually, the Assembly acts as a sort of honest broker that can look at the overall need and can amend the Mayor's budget, particularly if the amending majority was reduced. Therefore, it could pick up the concerns of the boroughs and listen to the needs of the Mayor, from a strategic point of view, and look at what would be a fair allocation between the two.

Jules Pipe: I think it is important to note that, contrary to perhaps how some of the media have spun the output of the Finance Commission, it is very much a devolution that is being asked for to the Mayor and to the boroughs. It is devolution to London Government; it is not simply devolution to the Mayor but, unfortunately, in shorthand it often gets written up as that.

We are currently working on drawing up some potential governance arrangements that could be put in place for how any devolved powers or monies would work between the boroughs and the Mayor, and we have a list of principles that we drew up with Tony Travers to guide that. It would be about an approach to shared governance between the two tiers, and we already see that happening in other places—for the combined authority in Greater Manchester, for example. Clearly, where they were matters pertaining to the Mayor, the Assembly would continue in exactly the same way. There is no reason why we could not have a joint scrutiny from across the boroughs. It has happened before; there was a joint scrutiny of health arrangements in London a little while back. I am not trying to put the cart before the horse; we are trying to do the horse at the moment, with the shared governance arrangements between the two. What would flow from that is then having proper scrutiny arrangements. However, I do not think it at all obviates the need for the Assembly, as far as continual scrutiny of the Mayor's executive functions.

Richard Tracey: I might just say something about this matter of scrutiny, which does intrigue me. If any of you read my record when I was a Member of Parliament, I certainly argued against a Mayor or an Assembly. I share Edward Lister's view; I think I was probably mistaken, because the mayoralty has developed to be a very successful model for promoting this vast city of ours across the world. That has worked terribly well and, indeed, also, in running

the affairs of London, I think the Mayor has a function.

Now, as to the Assembly, there is no doubt that a figure as big as the Mayor of London does need to be scrutinised, and the scrutiny is a specialist task. I do not believe that the 32 London borough leaders, with all the roles that they have—and Jules knows better than I how much work he has to put in leading his own borough—could possibly scrutinise the Mayor as well. And it is not just scrutinising the Mayor; it is scrutinising the police, scrutinising transport and so on.

When Tony Travers announced the London Finance Commission, there seemed to be general universal agreement that it might be a very good thing. If it does come into being, the Assembly frankly will need to be enhanced and strengthened in its powers of scrutiny. I know you are aware that the Conservative view in the Assembly is that all the seats should be directly elected, which of course would mean going up from 25 seats to 32 seats, because I think the direct election would be by borough, and there are 32 boroughs. I am not sure how we would deal with the City.

John Stevenson: I think we are drifting off the topic perhaps.

Richard Tracey: Yes, but the powers of scrutiny would of course then be enhanced, and we would then need to have something far closer to some of the scrutiny powers of other cities of the world.

Q87 John Stevenson: Before we even go down the road of additional tax-raising powers, etc., additional financial responsibilities were given under the Localism Act to the Mayor.

Richard Tracey: Yes, yes.

John Stevenson: Do we have to wait to see how he demonstrates the use of those first before we move forward, or do you think we should move forward to these additional powers?

Richard Tracey: When the Government was considering the Localism Bill, we did put the argument that there should be even more enhanced powers. Some of these points about more members and so on were put to the Government at the time, but for one reason or another they did not make progress. I welcome your consideration. I know you are considering the working of the 2007 Act, but alongside it you should be looking at how the enhanced powers from the Localism Bill are also progressing.

John Stevenson: Martin?

Martin Hoscik: I think the London Finance Commission proposes a very different level of financing than has gone before, which is much more long-term and open-ended. As Professor Travers said last week, in year one it would be fiscally neutral; the Government would take back everything it gave to London. The difference is that the Mayor and the boroughs would have greater freedom to spend. There would not be the usual time limits that normally apply to grants; there is not the match funding. It would be London's money to spend on things that London thought would push its economy and, by extension, the UK economy, and obviously the Mayor and the boroughs' self-interest would be to invest that wisely,

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because they need to see a return on that to increase their yield in future years.

Jules Pipe: Absolutely, and there were some very ambitious suggestions—and I was on the Commission as well, along with the Conservative leader for Inner London—about, for example, a suite of property taxes that could be devolved to the Mayor. As Martin said, it would be fiscally neutral in the first year, and then if London performed, it would generate more money and that would be good for London but also good for the economy of the whole country. However, there were also very, shall we say, small-scale, but very, very important for London, changes that could be made. The devolution of monies around training and skills development: it is absolutely mad that that is done centrally, and even the Mayor of London would not expect to just do it all from City Hall, thinking that it would be mad even to do it from City Hall. It should be done jointly between the Mayor and the LEP, possibly, as part of the process, but with the boroughs being at the heart of it, and organising it not 33 or 32 times but certainly in functional economic areas—groups of boroughs, whether it is tech in my area or whether it is construction in another part of London, around Heathrow or whatever the specialisms of the economy are around there. We could talk to the college, because the boroughs have a handle on what the colleges are and are not doing—if they are concentrating on too much hairdressing and nail-doing, which unfortunately too many colleges are—and they are also painfully aware of where the gaps are. Your previous witness, Eddie, and the Mayor and others at City Hall are absolutely in agreement that it should be a joint task between the Mayor and the boroughs in groups to allocate that money to really tackle the skill shortages that exist in London. I do not think that is really shooting for the moon. That is a perfectly reasonable thing to do.

Q88 Chair: I am sure there would be quite a lot of agreement, and we have looked at those issues about devolving skills powers around the country before. I suppose there would be a little bit of cynicism from people outside London, who look at all this agreement that has broken out across parties, with the boroughs and the Mayor all enthusiastic, and they say, “How might this be?” I suppose they come to the conclusion that, given London is the richest part of the country, it is not surprising if everyone in London agrees that London should keep more of the money that it generates and then probably agrees to disagree amongst themselves how it is going to be divided up afterwards.

Jules Pipe: I would say two things. At the risk of repeating myself, I think what would be good for London would be good for the rest of the country. It is certainly not based on “winner takes all” and everything the boroughs and the Mayor generating being kept in London. A split can be negotiated that benefits both London and the rest of the country, but even without a split, London functioning well is good for the country, and if London is starved of the infrastructure funds that it needs to make the Tube run properly or function as an economy, then the whole country will suffer.

Martin Hoscik: Success in London automatically leads to success and economic growth in other areas. If you look at the London Legacy Development Corporation, the Mayor through that has managed to attract BT Sport and their new studios to the International Broadcast Centre, but the call centres that support those channels have been opened up in the North, so there is a success in London that can automatically draw a success outside. Of course, a billion pounds’ worth of trains for Crossrail is unlikely to be built in the capital, so what is good for London can generate riches outside the capital.

Richard Tracey: Yes.

Chair: Agreement is breaking out again, isn’t it?

Richard Tracey: It is. I can understand, Chair, coming from Sheffield, as we all know well, that you would argue to some extent that London is getting too much, but frankly there is a very interesting map that exists in Transport for London that shows exactly where all their suppliers are for the upgrades of the Underground, for Crossrail and for the creation of buses and so on, and the map of the jobs created spreads over very large areas of the whole of the United Kingdom. The bus is built in Northern Ireland, but a whole lot of the works for Crossrail and for the Underground are actually taking place all over the rest of the country. Mrs Wheeler will be interested that a lot of the work for the Underground is indeed in Derbyshire, and so on. It is a map, but it is very dense with all those job opportunities, and it is part of the argument we are putting to the Treasury currently for indeed enhanced funding for Transport for London. So, do not run down what London can do.

Chair: We must move on.

Martin Hoscik: Just as a quick tag-on to that, because London is already beginning to look at Crossrail 2, it is very difficult for UK politicians to say to those outside the country, “We are going to put more money into London. We just put the money in there for Crossrail; we put the money in there for trains for Crossrail; and yes, we are going to give the money for Crossrail 2.” If the London Finance Commission proposals were pushed through, London would be able to invest more of that itself and take the pressure off UK politicians, who have to be seen to be spreading the money around equally, even if where they’re spreading it is not going to deliver the best return.

Q89 Heather Wheeler: Mayor Pipe, I think you have really already said this, but because the London Mayor does not have a major scrutiny role—call-ins, things like that—presumably you would be quite straightforward and just say, “Yes, the rules need to be changed and there ought to be call-ins. There ought to be more scrutiny.” How would you do that?

Jules Pipe: I am probably not tremendously well qualified to answer this, because I am not quite sure of the arrangements at City Hall. In my understanding, in my own borough, and in borough mayoral authorities, the call-in is exercised after the decision is taken but before it is implemented, but I have not even had that much experience in my own borough. In 10 years there have only ever been two call-ins.

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Q90 Heather Wheeler: Maybe the point is overplayed.

Jules Pipe: Possibly. Forgive me; is your point that there is not sufficient power with the Assembly to call in?

Heather Wheeler: Yes.

Jules Pipe: But I believe they can call in again after the Mayor has made his decision. Richard?

Richard Tracey: I am not sure.

Martin Hoscik: Not for planning.

Richard Tracey: Not for planning.

Q91 Heather Wheeler: You cannot do it for planning, but that is normal.

Jules Pipe: Planning in local is off the agenda on that, so I think it might actually be similar, so perhaps there is not a lesson to learn in the comparison, I would think. It would need a textual analysis of the particular standing orders in each—in City Hall and the mayoral boroughs—I am afraid.

Q92 Heather Wheeler: Richard, this idea that the Conservative Group have brought forward that it ought to be named constituency Assembly Members is really interesting, but if you do that, do you use first past the post? If you do use first past the post on that, how do you cope with the alternative voting system for the Mayor?

Richard Tracey: Yes, that is a very fair point. I am, I suppose, a sort of old-fashioned politician. I just believe that first past the post is much clearer for the public to understand, and, frankly, trying to explain to the public how the Assembly works in being elected—or the election of it—is a very, very long and difficult task, because to start with there are 14 directly elected members like me, and then 11 of these London-wide list members. It is not just explaining that it is a London-wide list; to try to explain how the votes are counted and how those places are allocated is almost impossible. It is something that really one never tries to do, and then the public still do not understand when you try. I think it would be first past the post. At no point in the four mayoral elections we have held has the frontrunner won with more than 50% of the vote first time, so you then move into the position of the second preferences. I think, probably, given the job of Mayor and given the idea of trying to achieve a greater degree of support for whoever holds that office, the second preference is a good thing, but for the Assembly I believe it should be first past the post.

Q93 Heather Wheeler: Mr Hoscik, I am really interested in your idea that there ought to be a lower threshold for majority voting or whatever, and you do not think that it would be a matter of mischief making. This is a problem that came up with the LFEPA board; it caused a stalemate. Why should your suggestion be listened to?

Martin Hoscik: In the first instance I should point out that what I am suggesting is simply lowering the threshold for the amending of the Mayor's budget. The Mayor's budget at the moment proceeds unless the Assembly can get two-thirds against it. I am suggesting that should still be the case, just the

threshold should be lowered. It is not a case of the Mayor bringing the budget to the Assembly to be positively passed, as happens in other chambers, but in fact for the Mayor's budget to succeed unless the Assembly amends the Mayor's budget simply by a smaller majority than is currently required to do so. On I think all Assembly configurations since 2000, that would have required two if not three parties to vote together. Actually, you are looking at asking politicians from several different parties with different fiscal disciplines to come together and agree a costed, amended budget to be passed, so it is not quite as simple as just asking for the Mayor's budget to be passed by 51% of people; it is actually asking for the Mayor's budget to be passed, if you like, by 49% of the Assembly rather than simply one-third, which is, I would have thought, closer to scrutiny and accountability than we currently have.

Q94 Heather Wheeler: If one were being cynical, one would suggest that the number that you pluck out of the air is 10, and of course the Conservatives only have nine seats, whereas before, in 2008, it was 11. Has this idea come up recently?

Martin Hoscik: I have had this view since the Act was passed in 1999. Whether the Mayor was Ken Livingstone, whether the Mayor is Boris Johnson, or whoever it may be in the future, I think the idea that you effectively stop counting once 10 Assembly members have said they are in favour of the Mayor's budget is extraordinary to most Londoners. If you have sat, as I have, and watched 13 budgets be passed in the chamber, you see people come in and they do not understand. It is simply difficult for people to understand that once a minority of Assembly members have voted in favour of the Mayor's budget, effectively that passes. In how many other areas would £16 billion be agreed to be spent and collected on a minority of support?

Q95 Heather Wheeler: How did that work in 2004 when Labour had a majority of seven? Presumably they had to get agreement?

Martin Hoscik: In that instance my recollection is that Ken Livingstone agreed money to promote, amongst other things, walking, for the Green group, which I think was the cause of some amusement to Richard's colleagues on the Assembly—it was something like £30 million for the promotion of walking.

Q96 Heather Wheeler: So it was pork-barrel politics.

Martin Hoscik: It may be, to some degree, but you have a mayoral election, you have a number of Assembly members elected, and then the Mayor's budget is going to pass for each and every year. You may as well almost not bring the budget to a consideration in that respect.

Jules Pipe: All mayoral authorities are the same. They only require a third to pass the budget. I am pleased, though, in the 10 years I have been Mayor in my borough I have never relied on only a third. They have always been more than 50%, but seeing as eight of them were to freeze the council tax, it was easy to get votes.

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Q97 Mrs Glindon: In North Tyneside the two-thirds rule did not operate with our mayoral system, which is always a sore point with us. Can I ask the panel, with regard to planning, how do you assess the way in which the Mayor has used the powers conferred on him by the 2007 Act?

Martin Hoscik: It seems to me he has shown a large amount of restraint on it. I think, as Sir Eddie said earlier, he only called it in half a dozen times. A slight concern I have—and this is actually protecting the office of the Mayor, especially going forward—is that the Localism Act has made the Mayor a much more significant landholder than he was in 2007 when the legislation you are scrutinising or reviewing was passed, and even on the decisions he has taken the Mayor has been accused of allowing one to go through because he was seeking greater contributions to Crossrail.

I think that given the Mayor's substantial public landholdings, and going back to the London Finance Commission proposals, he will have a vested interest in every proposal that goes because he will take a share of the business rates. The Mayor should still be the one that calls in. He can still make an in-principle decision, but then before that decision can be enacted, it should simply go before the Assembly in a report—not as another whole hearing but as a written report for the Assembly to review the evidence that was presented to the Mayor—and whatever the majority is for amending the Mayor's budget, and whatever the amendment is for amending the Mayor's strategy, simply either agree on that or reject the Mayor's decision, without going through a whole new set of processes. It is very small; it is not large amounts of bureaucracy, but it will simply protect the Mayor, because going forward he or she is going to face an awful lot of accusations that they have allowed developments to go through because it suits their coffers to do so. I think it would be helpful for everybody, including future Mayors, to be able to say, "Actually, there was a pause in between; it was checked and it was approved, and there is nothing untoward going on."

Jules Pipe: I can only agree with Edward and Martin. Six times—that has got to be quite a judicious use of the power. I think, though, it will always be helpful to keep it under review. How often it will be used is clearly a function of personalities and particular ambitions in particular areas, whether it is accusations—however justified or not—of getting money in through business rates or whether it is giving permissions for housing to achieve housing targets. There will be different drivers perhaps for a certain Mayor to make a certain decision. I do not think the fact that we have not seen it with this Mayor is a reason not to keep it under review, because of future Mayors and the principles that are behind the use of those powers.

Richard Tracey: Of course, in Boris Johnson's case, he came in to the mayoralty with a very stated policy that he was not going to interfere with the boroughs wherever possible. We do accept very much on our side of politics that the London boroughs have a very valuable role to play, and, particularly in their own areas, they know better than the Mayor does. I think

that probably has dictated to quite a large extent the fact that they have not intervened, or he has not intervened, on any more than six occasions. I hope that will continue. The planning power, surely, is for major strategic matters, and in my own constituency, in Merton and Wandsworth, there is the very large strategic matter of Nine Elms—the whole regeneration of Nine Elms, and Battersea Power Station and surrounds. The GLA and the Mayor are involved in that, but they did not try to call in the planning side of it. That has been handled mostly by Wandsworth but with a lot of input from Lambeth too, and I think that is right.

Jules Pipe: I think any future review would have to allow time for the 2011 Localism Act to bed in and see what came out of that, because I think that has probably got more of an influence over things than the 2007 GLA Act, not least MDCs. We have only got one, and we are all happy with the way that is working out, but also I suppose we have been softened up to it, because of course there was the ODA—in charge of a smaller area, admittedly, but still the core of that area for much of the previous decade. All the local boroughs, including my own, are quite softened up to that idea. If another Mayor came in wanting to set up MDCs all over the place, then perhaps, again, that would be ripe for review.

Richard Tracey: Of course the Assembly did need to approve the creation of the MDC. That is one of the powers you gave us, and we did pass that one through. I quite agree with Jules—I think it is working out very well at the moment.

Q98 Mrs Glindon: Mayor Pipe, you have said how important review is, and you have mentioned that several times. London Councils wants the review. What would you like to see come out of the review? What would be the ultimate result?

Jules Pipe: I am sorry; it is too early to say. I think it would be the broad effect of previous Acts and particularly the 2011 Act.

Q99 Mrs Glindon: With regard to Crossrail, once it has been funded, what should happen to the Mayor's Community Infrastructure Levy?

Jules Pipe: There are two answers to that. There would be the aggregate view of the 33 boroughs, which would say that future CIL revenue should be returned to the boroughs rather than centralised. Obviously, wearing my borough hat, which I share probably with another half a dozen, I would say, "Well, give it to Crossrail 2." There is probably a slightly divided view between the minority of boroughs on the line, who would probably be happy to see it go to Crossrail 2, and probably the majority of boroughs—if I am being fair to my other position, which I am representing here—who would say, "Return it to the individual boroughs."

Mrs Glindon: That seems unanimous.

Richard Tracey: I most certainly think that any benefit, any surplus, should go to Crossrail 2 because, frankly, of the importance of us growing the transport infrastructure of London, whether it be the upgrade of the Underground or the building of Crossrail 1. Crossrail 1 is to relieve the Central Line across the

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centre of London. Crossrail 2 will make an enormous contribution as the route is laid out and suggested at the moment by the London First committee, led by Lord Adonis, who knows a great deal about transport, having been Secretary of State; it will make an enormous difference in travelling from north to south and south to north, and of course it will also relieve what promises to be serious congestion at Euston if

and when HS2 is built. We are very worried about what will happen there, and so it has got to be part of that contribution, I think.

Martin Hoscik: I do not have anything to add to that; basically, we are all in agreement.

Chair: Thank you all very much indeed for coming along this afternoon and giving evidence to us.

Monday 17 June 2013

Members present:

Mr Clive Betts (Chair)

Simon Danczuk
Mrs Mary Glendon
James Morris

Mark Pawsey
John Stevenson
Heather Wheeler

Examination of Witness

Witness: **Darren Johnson AM**, Chair, London Assembly, gave evidence.

Q100 Chair: Let us make a start on our session on the Greater London Authority Act 2007, and the operation of the London Assembly. Welcome. Thank you very much for coming to be with us. Just for the sake of our records, could you say who you are and your position?

Darren Johnson: Darren Johnson, Chair of the London Assembly. I was first elected back in 2000 as an Assembly Member.

Q101 Chair: Thank you very much for coming this afternoon. You are probably aware that we have already had some witnesses giving their view as to the situation. One thing that is difficult for us, as a Committee, to quite get a handle on is whether the Assembly is—as some people might describe it—a superSelect Committee where its job is basically to scrutinise the executive, or is it really more like a council? Or is it neither of those, and something unique in British government terms?

Darren Johnson: In many ways, it is a fairly unique institution. It does embrace some elements of local government, some elements of Parliament, and so on, but it is not a legislature. Obviously, we have the strong mayoral model. The role of the Assembly is to hold the Mayor to account and to investigate issues of concern to Londoners. Apart from certain areas where the Assembly does have a potential veto or ability to amend by a two-thirds majority, generally we are there to scrutinise and recommend, rather than actually act as a legislature.

Q102 Chair: When Sir Edward Lister, the Mayor's chief of staff, came before us, he was very clear that what had been created was a model of government with a very strong Mayor at its centre. In order for there to be a strong Mayor, do you think that requires there to be a fairly weak Assembly with limited powers and control over what the Mayor can do, or is the Mayor strong because the Assembly is actually quite weak?

Darren Johnson: Clearly, we do have a strong Mayor model. I would argue—and I think Assembly Members of all parties would argue as well—that it is possible to enhance the powers of the Assembly and the ability to hold the Mayor to account without unravelling the whole strong Mayor model. We have seen, through the original Act and the successive sets of amendments, that the strong Mayor model is in place and is part of the political landscape. That is not going to change, but we can enhance the ability of the Assembly to hold the Mayor to account without

unravelling that strong Mayor model. Even with, as you term it, fairly weak formal powers, the Assembly has had very significant influence in terms of the investigations we have done, the recommendations that have been taken on board, and the way that we have been able to shape both mayoral administrations on a number of issues and get a number of our recommendations taken on board.

Q103 Chair: Could you give a couple of examples?

Darren Johnson: There are a few examples I would like to talk about. In 2009, we had the heavy snow and for the first time ever, we saw the complete London bus service withdrawn. Even during the Blitz, they did not stop running. There was a lot of concern amongst Londoners about that, and within a very short space of time we had commissioned a special investigation and made some recommendations. TfL did take many of those recommendations on board, and next time we had very severe weather conditions, we saw London buses continuing to operate, partly as a result of the recommendations the Assembly made. Again, some time after the 7 July bombings, the Assembly held a very detailed investigation into that, and some of the communication aspects. We made some very, very detailed recommendations. Those were overwhelmingly taken on board by the various bodies: the police, fire, Transport for London and so on. I would like to think, should London ever have to face something as horrific as that again, that we will have an improved response thanks to those Assembly recommendations taken on board.

There are a number of areas where it has not just been about influencing the Mayor to take recommendations on board. The planning policy changes in terms of front gardens and preventing flooding were helped by an Assembly report before that, and some recommendations that helped influence central Government policy. Our report was heavily namechecked in the White Paper circulated on that.

Q104 Chair: We are going to ask some other questions about how you might see things changing in the future, but just in terms of the 2007 and 2011 Acts, have they actually made any difference to the balance of power and responsibilities between the Mayor and the Assembly?

Darren Johnson: The 2007 Act contained fairly incremental, minor changes. It did not significantly change the relationship. Obviously, the scope of the 2011 Act—both in terms of policing and the Localism Act—was significantly broader. It has not

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dramatically changed the Mayor/Assembly relationship. Obviously, we have seen some innovations as a result of those. For example, we can now by a two-thirds majority reject mayoral strategies, which is a new development. Various mayoral appointments are now subject to confirmation hearings as well, which is something that was not in the original 1999 Act. There are a number of areas where the Assembly's ability to hold the Mayor to account has been improved in a small but important way. It has not dramatically changed the overall relationship.

Q105 James Morris: Notwithstanding your answers to the previous questions, what do you say to the case that the Assembly has effectively been a talking shop for the last 12 years and should be abolished?

Darren Johnson: If we are just a talking shop, I think we have been a very effective talking shop. We have not just talked. We have made recommendations in a number of areas that have been taken on board by decisionmakers, whether by the Mayor, Transport for London, the police, or central Government. Even private companies like Thames Water took on board some key recommendations from the Assembly. If we have just been a talking shop, I think we have been a very, very effective one. As a democratic check and balance, anyway, it is absolutely vital that we have a body there that can hold a singleperson executive to account.

Q106 James Morris: Why could the 32 boroughs not perform a much more adequate function of holding the Mayor to account than a glorified Assembly that Londoners do not really know anything about?

Darren Johnson: I remember, when the original Act was first being debated, there was a lot of talk then about the possibility of borough leaders taking on this role. Firstly, I think borough leaders have enough to do running their boroughs without the additional responsibilities of scrutinising the Mayor. Secondly, I think you would have a real danger of porkbarrel politics where borough leaders may just be interested, not in the wider strategic issues of the governance of London, but simply in what they could get for their borough. Thirdly, because we have a singleperson executive with a directly elected Mayor, it is really, really important that you have a scrutiny body that represents as broad as possible a range of Londoners' opinions through the ballot box. The Assembly, by being a proportional system through the additional member system with constituency members and a topup list, does provide that diversity of views. We can probably take a strategic view for the whole of London, not simply a view for individual boroughs.

Q107 James Morris: You have 10 sessions a year where you can ask questions of the Mayor. Can you give an example of where the Mayor has gone away and changed his policy as a result of the questioning from the Assembly?

Darren Johnson: There are a number of examples where both Mayors have agreed to go away and look at something. I remember back with the previous Mayor, when there were concerns about the operation

of the then-London Development Agency, and issues around transparency, possible corruption and so on, that as a result of the Assembly scrutiny and shining a spotlight, far more robust procedures were put in place. Also, because it is a very public session—it is followed by the media, by the Evening Standard, the BBC and ITV News, for example—they are interested in what the Mayor has to say to Assembly Members. It is a very public and very transparent process.

Q108 James Morris: At the moment, the Mayor's decisions are not subject to recall. Do you think having 10 Question Times a year is a more or less effective way than having the Mayor have his decisions called in?

Darren Johnson: It is absolutely vital that the Mayor is subject to public questioning in the way that he is from Assembly Members each month. I could not imagine that disappearing; that is a vital check and balance, for the reasons I said earlier. However, it would enhance the Assembly's ability to hold the Mayor to account if we did have callin powers, and the Mayor was required to produce a forward plan of key decisions, as happens with every other directly elected Mayor in local government around the country. They have to produce a forward plan, and their decisions are potentially subject to callin. It would be an important check and balance. At the moment, we can only scrutinise decisions after they have been made, or make recommendations before decisions have been made. We cannot take that formal role, in the way that councils holding directly elected Mayors in local government to account can.

Q109 Mark Pawsey: The Assembly is seeking to gain more power and more influence. It has argued that the threshold to intervene in the Mayor's decision, which is currently set at two thirds, should be reduced to 60%. Sir Edward Lister, in giving his evidence, felt that that would not allow the Mayor to do what you have acknowledged the Mayor is there for: to have strong government and get decisions made and things done. Why do you think 60% is the right figure?

Darren Johnson: Two thirds is a very, very high hurdle. The advantage of 60% is that it still enshrines the strong Mayor model, as it is not a simple majority, but I think it would be a more realistic check and balance. I do not see that sort of hurdle as being something that would be used lightly, simply to slow up the decisionmaking process and be bloodminded for the sake of it. The fact that the Mayor would have to take more notice of the Assembly could lead to a better relationship between the Mayor and the Assembly.

In terms of taking some legitimate concerns on board—allparty concerns, often—I remember the first time when the Mayor was given a new power for the creation of the Mayoral Development Corporations, and we had the proposals for the London Legacy Development Corporation that was taking over the Olympic site. There were some genuine crossparty concerns from Assembly Members around issues of transparency and so on. We were able to question the Mayor on that, and because we had this new power to approve or reject those plans, we actually ended up

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voting in favour unanimously. We had had a proper dialogue with the Mayor; the Mayor knew that we had this new power and listened to our concerns. We did not use it to frustrate, embarrass, or be bloodyminded for the sake of it. I think it was an example of very good governance, with the Mayor responding to legitimate concerns from the Assembly and the Assembly acting in the interests of London.

If we had a 60% threshold, we could potentially see more of that, and I think it would allow the Assembly to play a stronger role in decisionmaking in London government without slowing everything down and unravelling the strong mayoral model.

Q110 Mark Pawsey: It is argued that there would be all sorts of horsetrading; there would be lots of deals having to be done with lots of parties, and things simply would not happen in the effective way that they are taking place currently.

Darren Johnson: I do not think that is the case. You might argue that, if we had a simple majority introduced, it could start to really slow things down. You would still have to have a substantial proportion of Assembly Members to pass a 60% hurdle. I do not accept that it would simply unravel the whole process. I think that Assembly members would use that power in a way that was effective on behalf of Londoners, rather than simply just to frustrate the process for the sake of it.

Q111 Mark Pawsey: Is moving this figure from two thirds to 60% a key objective of the Assembly? Would it not be better off seeking to do away with some of the anomalies that exist with regard to, for example, mayoral appointees? Would it not make more sense to put time and effort into regularising the situation, rather than trying to do something that is rather more radical?

Darren Johnson: We are pleased that you, as a Committee, are looking at this and the role of the Mayor and the Assembly. We put forward a number of suggestions, most of which were agreed unanimously across the entire Assembly. There are a number of other areas where we would like to see change, particularly around the budget. We think there should be an enhanced role for the Assembly. Legally, at the moment, we can only amend the bottom line of the Mayor's budget. We argue that, if we were able to amend individual programme budgets—and I think that is the right level, as linebyline may be excessively nerdy and lead to delays—that would be more effective. We would also like to have a proper role in terms of the capital budget as well as the revenue budget.

This takes on board some of the changes that have taken place. When the GLA was first set up, the overall budget was, I think, £4 billion a year. It is now up to £16.5 billion a year because of the additional powers that the Mayor has taken on in terms of housing and so on. I think, if some of the recommendations from the recent London Finance Commission were taken on board and there was more financial devolution to the Mayor of London and more flexibility on things like borrowing, it would be even more important that you had that check and balance

through the Assembly to hold the Mayor to account. If you were going to ask if there was one thing that I really thought could make a difference in terms of enhancing the Assembly's role and properly holding the Mayor to account, with a real eye on the future and the possibility of greater financial autonomy for the Mayor and so on, then greater powers over the budgetsetting process—not just in terms of the hurdle, but in terms of our ability to amend individual programmes and so on—would be a significant prize.

Q112 Mark Pawsey: You will be aware that Professors Jones and Stewart have brought forward some proposals for reforming the Assembly's powers. Do you think that any of those are likely to be taken up and proposed by the Assembly?

Darren Johnson: There have been some useful proposals there. One of the things that we would particularly like to do, which could be done fairly simply in terms of legislation, is just to clear up some of the anomalies that we have got in terms of various sections of the Acts that were drafted at different times. This has created a number of anomalies: in terms of confirmation hearings, we have the power to reject by a twothirds majority the Mayor's potential appointee for the Policing and Crime Deputy Mayor, but there is not a similar power for other confirmation hearings, which does seem a complete anomaly. Again, in terms of strategies, we now have a power to reject mayoral strategies by a twothirds majority, apart from the Police and Crime Plan, where we do not have a similar power. Again, relating to the budget, as I just mentioned we do have powers over the revenue budget, but not the capital budget. Given the changes that have taken place at City Hall over the last decade, it does seem really inconsistent that we have not got that.

Q113 Mark Pawsey: So you would support a tidyingup.

Darren Johnson: I absolutely think that some sensible tidyingup could significantly improve things, yes.

Q114 Heather Wheeler: I would like to explore the anomalies there are in the numbers of Assembly Members that sit on certain boards. Some of them, they do not sit on at all. In the first instance—again, with those anomalies—how do you think that helps the public understand the governance of how London is run?

Darren Johnson: It probably is confusing in terms of understanding, probably even for people who know a lot about London government, let alone average members of the public. At the moment, the Mayor can appoint an Assembly Member to the TfL board, but has so far chosen not to. We think that, where the Mayor does have boards under his control, it makes sense—for good, sound, democratic reasons—to have an elected member from the Assembly represented on that.

On LFEPa, the fire authority, it is done on a proportionate basis, which is standard practice for fire authorities across the country. We would not want to see that changed. However, in terms of other boards

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where the Mayor does have a board under his control, it makes sense to have an Assembly Member on there as an important democratic check and balance. That is different from an Assembly Member's scrutiny role, and if the Mayor appointed one member to the board of Transport for London, you obviously would not expect that same member to sit on the Transport Committee at the Assembly scrutinising TfL. However, we think there is a role for different Assembly Members playing a part in both.

Q115 Heather Wheeler: Not to be the devil's advocate, but are you saying that the Assembly Members would settle for one appointee for TfL, rather than a similar style to the one you have for fire and rescue, where it is politically proportionate?

Darren Johnson: I do not think there is an appetite in the Assembly to replicate the fire authority structure for TfL, but it is important that you do have some political representation on there through the Assembly. The Mayor has been given a power now to appoint an Assembly Member to the TfL board, but has not so far chosen to exercise that. If we are looking at one small change to the Act in that regard, we could make it a duty to appoint an Assembly Member, rather than just an ability to do so. That would be a significant improvement.

Q116 Heather Wheeler: Are you saying that the logic is that whoever it is that gets nominated does not then sit on the transport scrutiny? You think that members of the public understand that you have this scrutiny role, even though there would be an elected person on the board, and you can have a clear line of separation?

Darren Johnson: That happens in local government all the time. It happens in Parliament as well. People can see that some Members play a scrutiny role and some Members play an executive role. I do not think that is too difficult to understand. One of the things about the Assembly is that, because we are a body of only 25 members, it does require a certain amount of doubling up and playing multiple roles. Unlike local government, where you would be purely in a scrutiny role or purely in an executive role, having a body of only 25 members would make that extremely difficult. You may play a scrutiny role in one area—for example, health—and you may play an executive role in another area, such as transport. I do not see that as a fundamental problem

Q117 Heather Wheeler: To finish, then: you think that the scrutiny arrangements for policing work okay?

Darren Johnson: Of all the recent changes, that has probably been the one that has caused the Assembly the most headaches, and has been the most problematic so far. We did have a Deputy Mayor for Policing appointed who came with, in our view, a very narrow interpretation of the legislation. His initial thinking was that the Assembly did not need to directly question the Commissioner for the Metropolitan Police; that this could be done through him. He attempted, at the first meeting of the Police and Crime Committee, to do that, and then found he

was not able to answer any of the questions that were put to him. It was one of those YouTube carcass TV moments. In a number of areas, there have been problems. The Mayor has intervened, thankfully—and credit to him—to ensure that there has been a better relationship. There is a need for greater transparency in terms of MOPAC. That has been a particular issue, yes.

Q118 Chair: I was confused by one of your answers there. You referred to it often being the case in councils that some Councillors do scrutiny and some have an executive role in the Cabinet. That is true, yes, but rarely do they do both. What we have got here is a position where some Assembly Members are doing scrutiny; the same person could also be appointed to an executive role as an Assembly Member, and could also be appointed to an executive role as a Mayor's representative. How on earth is the public going to disentangle that and understand it?

Darren Johnson: I understand what you are saying on that. As I said in my answer, when you have an assembly of only 25 members, it is inevitable that you have Assembly Members playing multiple roles. On the average local council in London, you have got 50 or 60 odd members to choose from. It is very, very easy to have a very, very clear separation between scrutiny and executive. When you have only 25 members, you would find yourself short of sufficient people to fill committees, boards and so on if you did not have some doubling up. It is an inevitable consequence of the 1999 GLA Act, which was very clear about only having 25 members and having a very, very slimline elected body, which is what we have got. If you were looking to have a very, very clear separation between scrutiny and executive, I think you would have to have a larger Assembly.

Chair: Or you could have Assembly Members not doing executive functions.

Q119 Simon Danczuk: How do you think the Deputy Mayor for Policing and Crime is doing, Darren?

Darren Johnson: This was one of the problem areas. As I said in my earlier answer, in terms of our ability to hold the Mayor to account, it has been probably one of our biggest headaches so far since the changes with the Localism Act and the Police and Crime legislation. There is an issue when you have an unelected member holding a role such as that. I understand that it is unreasonable to expect one Mayor to be Mayor of London, chair TfL, hold the Police and Crime role, and chair the Waste and Recycling Board, or whatever. There are limits, and the Mayor has to appoint other people: we understand that. However, there is a real problem in having an unelected member fill a role as significant as that, rather than an elected Assembly Member.

Q120 Simon Danczuk: What score would you give him out of 10, one being very poor and 10 being very good? What score would you give him, Darren?

Darren Johnson: I do not want to get too drawn into particular personalities here, and so on. He has got some significant work to do still in terms of reassuring

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the Assembly that he is on top of the job and on top of his brief, but I do not particularly want to get drawn into particular comments on personalities.

Simon Danczuk: Well, it is not his personality. You are there to scrutinise his performance on behalf of Londoners, and I am saying to you, "How would you score him in terms of his performance in doing that job?"

Darren Johnson: Members of the London Assembly, across all parties, were very, very concerned at his initial highhanded approach, and his lack of willingness to engage properly with the Assembly on what we saw were very serious issues. We have seen an improvement now, and part of this is down to the intervention of the Mayor himself. We have seen an improvement, but of all the relationships, I think that has been one of the most problematic since the new Police and Crime legislation and the Localism Act came through.

Q121 Simon Danczuk: The Deputy Mayor for Policing said, "We need to make sure that we make proper use of Assembly Members" in his work. That is what he said. How is he doing with that?

Darren Johnson: The Police and Crime Committee at the Assembly is doing some important detail work on policing in London. It has taken over from the scrutiny role that the Metropolitan Police used to play in London. Assembly Members are doing it through the Police and Crime Committee. I do not sit on that Committee myself, so I have not got the detailed reports of all the work that is done there, but it is doing some very useful work, and I believe is having a very good impact at holding the police and the Deputy Mayor for Policing to account.

Q122 Simon Danczuk: Do you think the Assembly wished they had rejected the Deputy Mayor for Policing?

Darren Johnson: I am sure it crossed most Committee members' mind when the Deputy Mayor for Policing came along to that first meeting, had torn up the invitation to the Commissioner for the Metropolitan Police, told him he was not needed, and then sat there literally unable to answer any of the questions that Assembly Members put to him. I am sure there were some moments of regret going through the Committee then. Since then, the Assembly has tried to improve the flow of information and improve transparency. We have had some helpful interventions from the Mayor of London on this, on what we saw as an overly narrow interpretation of the legislation by the Deputy Mayor. Thankfully, things are starting to improve.

Q123 Simon Danczuk: The Mayor of London has had to put a lot of effort into defending this guy, has he?

Darren Johnson: He has put a lot of effort into defending him, but he has also put a lot of pressure into ensuring that this Deputy Mayor actually gave the information to the Assembly and showed the Assembly the courtesy that other members of his administration have shown, and that other members of previous administrations have shown.

Q124 Mrs Glindon: The London Finance Commission devoted only one paragraph of its 92page report to the London Assembly. Does this reflect the Assembly's significance, and if so, will it be peripheral to the future of London?

Darren Johnson: The Assembly had a thorough session with Professor Travers, who led that Commission, only last week. The report was very much welcomed by the Assembly, but there was a very strong recognition from Professor Travers that the Assembly's scrutiny role would have to be enhanced if there was going to be significant devolution of this type. He said that he did not see it was within the remit of the Finance Commission to go into the details of that, but if you are devolving significant financial autonomy on things like council tax setting, business rates, borrowing restrictions, and so on to a singleperson executive, the need to have effective tools to hold that person to account becomes greater than ever. It would have to be combined with some increase in the Assembly's tools to hold the Mayor to account, particularly, as I was saying before, on the ability to amend the capital budget as well as the revenue budget, and also to be able to amend individual programmes within budgets, rather than simply the bottom line. At the moment, the Assembly can only legally amend the bottom line of the Mayor's budget, not individual programmes.

Q125 Mrs Glindon: What do you think of Martin Hoscik from the MayorWatch website's view that the Assembly should seek to be an honest broker between the Mayor and the boroughs? Is that not what you would consider a sufficient role?

Darren Johnson: Was that generally, or in terms of the finance?

Mrs Glindon: I think just that, because of the fact that there are competing interests between the two.

Darren Johnson: The boroughs are going to be there fighting their corner. It is absolutely the job of the boroughs to secure resources and so on for themselves. The Mayor is going to take an executive view Londonwide, and there is a proper role for the Assembly to be able to take a step back from that; to be an honest broker, to take a Londonwide view as to what is in the best interest of Londoners, and do some of the very detailed scrutiny work on the proposals that are coming forward that may be missed, both at the mayoral level and the individual borough level.

Q126 Mrs Glindon: What role can the Assembly play in the London planning process?

Darren Johnson: The Assembly has always had a fairly limited formal role in the planning process, unlike local authorities, or any local authorities with a directly elected Mayor. Directly elected Mayors in local government do not play a role in planning decisions, only in the planning policy. Obviously, in City Hall, the Mayor does play a key role in planning decisions. The Assembly has been concerned about the use of the Mayor's ability to take over applications, and whether the criteria at the moment are clear enough, as to what criteria he uses to take over applications, compared to ones that he does not. There is a need for greater clarity around the criteria.

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Assembly Members do, of course, play a representational role in the runup to decisions being made on behalf of constituents—just as councillors in local government would on a local application—but we do not have an actual, formal role in the planning decision process. There is certainly a need for greater transparency there.

Q127 John Stevenson: At the outset, you said that the arrangement between the Mayor and the Assembly was unique. Lord Heseltine, in his recent report, has recommended that the concept of Mayors be extended to other conurbations up and down the country. Do you think the London model of government is transferrable out to other parts of the country, such as Manchester or Birmingham?

Darren Johnson: I think that, possibly, it is. The problem we saw last year with the referenda that were put forward and were overwhelmingly rejected in various cities around the country was that it was not actually the London model. It was simply bolting a directly elected Mayor on to existing local authorities, and those local authorities were not, on the whole, representing big conurbations on the regional strategic level like London. It was simply the central bit of the Greater Manchester conurbation, and so on. If you were looking for a successful model for Greater Manchester, you would need a strong regional component that covered the whole conurbation, not simply trying to imagine that a directly elected Mayor could make a massive impact on Manchester City Council. I do not think it would dramatically change things.

In a way, it would be like having a directly elected mayor for Westminster City Council rather than a Mayor of London and expecting them to have delivered Crossrail, to have won the 2012 Games, to have introduced congestion charging, and so on. It is just unimaginable. The reason why the Mayors of London have made a real impact is because they represent a whole conurbation, and have the resources to act strategically on behalf of the entire conurbation.

Q128 John Stevenson: On that line, then, if the Government came up with the idea of a Mayor for a conurbation, would you be supportive of it, and do you think the London model is the one to follow?

Darren Johnson: There would need to be greater scrutiny powers for the body that held that Mayor to account. If we were looking at models for regions or conurbations, then we would not necessarily always go with a directly elected mayoral model. The Welsh Assembly is delivering and making a difference for Wales with the Executive drawn from within the Assembly, rather than elected separately. That may be an equally valid model, and it would be up to people within those areas themselves to make the final decision. What is often forgotten in the discussions about the impact of the Mayor of London, the GLA, City Hall, and so on is that they represent a whole conurbation. They are not just a directly elected mayor

for one council. It covers 32 boroughs in the city. It is a very big conurbation.

Q129 John Stevenson: Just out of interest, are you personally supportive of the Mayor model, subject to maybe additional powers to the Assembly? Do you support the actual principle of it?

Darren Johnson: No, to be honest. It was not my preference for London when the GLA Act was going through. I did vote “yes” in the referendum, and did campaign for a “yes” vote, because that was the only thing that was on offer. My personal preference at the time would have been something more akin to what was being proposed for the Welsh Assembly, with an Executive drawn from within the Assembly. However, I accept that this is the political landscape in London. We have got the strong Mayor model. I do not see that we will change that model at any time in the foreseeable future, and certainly not any time in my lifetime. What I do think is that, while we have the strong Mayor model, we can—without unravelling the whole thing—actually improve the checks and balances, and ensure that the Assembly is equipped with all the tools it needs to hold that individual to account.

Q130 John Stevenson: Overall, do you think it has worked?

Darren Johnson: Overall, it has made a massive positive impact for London since the GLA was first set up in 2000. Whether you agree with specific policies or not, the scale of change would have been impossible. We have had the improvements in public transport infrastructure, bidding for the Olympics, Crossrail, and congestion charging. It would have been unimaginable to have had those sorts of policies introduced without a strategic, Londonwide authority for London. It may not have been my ideal preference for what I wanted to see starting off, but it has made a very, very significant difference.

Q131 John Stevenson: My final question, then, is this: on the basis that you think it has been very successful for London, do you think it could be equally successful for—by way of example—the Manchester conurbation?

Darren Johnson: Yes, something along this model, with strategic powers over transport, economic development, policing and so on for Greater Manchester would make a very great difference, whether it was a directly elected Mayor with an Assembly or an executive drawn from an Assembly. Whatever your political views on the performances of both the first Mayor and the second one, they have made a significant policy impact. It would have been unimaginable to have that scale of change without some sort of directly elected authority for London

Chair: Thank you very much indeed. Thank you for giving evidence to us this afternoon.

Monday 24 June 2013

Members present:

Mr Clive Betts (Chair)

Simon Danczuk
James Morris
Mark Pawsey

John Pugh
Andy Sawford
John Stevenson

Examination of Witness

Witness: **Brandon Lewis MP**, Parliamentary Under-Secretary for Local Government, Department for Communities and Local Government, gave evidence.

Q132 Chair: Minister, thank you for agreeing to stay on to answer a few questions on the Greater London Authority Act 2007 and the operation of the London Assembly. We should not keep you for too long on these matters. I think you have probably seen the evidence we have taken so far, and one of the things that we have been looking at is the London Finance Commission and its call for greater tax and spending powers for London. I just wonder what your initial response to that is, and how you might be considering taking that issue forward.

Brandon Lewis: I welcome the report. It opens up some very interesting questions, but my position is that we have got to look at that report and talk to colleagues across other Departments, because, like whole place community budgets, it obviously goes beyond just the DCLG at this stage. As I have said, it is a good report and it is useful to continue that conversation on where London goes next and what the next option is, but there are some potentially significant implications beyond London from that. As I have said, we will be liaising with colleagues in other Departments as well.

Q133 Chair: I wonder whether the possibility of extended powers for London governance, in the widest sense, and particularly for the Mayor, would lead you to consider—at the same time and in parallel—whether there should therefore be strengthened scrutiny powers for the Assembly. Certainly, one thing that the Assembly has been saying already is that with the enhanced capital controls that the Mayor has now, there is a £5.6 billion budget but the Assembly has virtually no effective say over that. Are those the sorts of issues you have been looking at as well?

Brandon Lewis: It is fair to say that we are always looking at everything. There are no plans at the moment to devolve further power. There was a big devolution with the original creation of the mayoral role, and again with the Localism Act 2011, when we devolved responsibility for housing in the capital, as well as economic development and the Olympic legacy. At that point there was also a move of about £3 billion in un-ring-fenced money over to the mayoralty, so there has already been a big decentralisation in that sense. There are no plans to go any further at the moment. At the moment, the model works.

One of the most powerful things in the Mayor's position is the transparency about it, and the

understanding of the general public that it is the Mayor who is responsible and who has that political mandate—one of the largest around, with over 1 million people voting for the Mayor. There is a clear view and people understand who is responsible. That transparency is very healthy thing. At the moment, we have a system that works. There is a strong mayoral position. The last Government put that in place. From what I have seen, that is a good thing for London.

Q134 Chair: Two things have been drawn to our attention. One is that even in the current situation, the Assembly has not got the same powers of effective scrutiny on capital budgets—and the capital budget has been significantly expanded for the Mayor in recent years—as it has over the Mayor's revenue budget. There seems to be a difference there that is difficult to explain. Looking at their scrutiny, they do not have anything like the resources of the National Audit Office, or the resources we have as Select Committees, to support them on an independent basis. I wonder whether at some point you might like to think about those issues. We recognise that there is a strong executive, but the issue has been raised with us that the ability to hold that executive to account through scrutiny is not as strong as it might be.

Brandon Lewis: The fact is that those issues have been raised with the Committee and you have raised them with me, so I will have a look at them and come back to you, particularly on the first point—the issue between revenue and capital. I will go away and look at that, and if you will allow me, I will come back to you on that.

Chair: Okay.

Brandon Lewis: As to the wider remit, I actually like the fact that people know clearly that we have a strong Mayor with clear democratic accountability. The Assembly is there to scrutinise, and if the Assembly feels that it needs to look at how that is resourced, then that is an issue for the Assembly to look at.

In terms of the mayoral set-up, the Mayor has to come back to that committee on a regular basis, both for mayoral questions and because of their ability to challenge on issues, as they have done—on fire, they have challenged quite hard this year and made the Mayor look at that—and at the moment that system seems to work: it is clear and transparent, and the public understand it. That is one of the strengths of the position of Mayor in the first place.

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Q135 Chair: You mentioned the issue of clarity and people understanding where responsibility lies. However, if you look at the different powers that exist and the different authorities and boards, there are very different relationships between the Mayor and the Assembly on those. You just mentioned the fire authority: members of the Assembly are actually members of the fire authority. Policing, however, is now the total responsibility of the Mayor in an executive role with the deputy Mayor appointed by the Mayor. You go to the transport authority: there is a possibility of having two Assembly members on Transport for London, but none has been appointed. You go on to the waste authority and there is no right to have Assembly members on it, but an Assembly member chairs it, who is appointed by the Mayor, but elected by the Assembly. Is that not a completely inconsistent set of arrangements? It is very difficult to know why all those different functions have different roles for Assembly members and different relations between the Mayor and the Assembly and how they operate.

Brandon Lewis: What we can't get away from is that the Assembly has that overarching ability to challenge the Mayor, and not just through the Mayor's question time sessions—I think there have to be 10 a year of those. I think the previous Government got it right in calling for the Mayor to have a very strong role. In the Localism Act 2011, we gave the Assembly the power to reject the Mayor's strategy if they had the two-thirds vote, but there is also the explicit duty to have regard to responses to consultation by the Assembly when preparing or revising statutory strategies. We should never underestimate the fact that, in London, there is that clear accountability to one of the largest electorates in the world. It is under a huge amount of public scrutiny and quite rightly so. Whether the Mayor makes a speech, a plan or a decision, I do not think that anybody could question that it gets a large amount of public scrutiny, which is a good thing, but it still allows for a strong mayoral model. The Assembly does have that ability to question and scrutinise the Mayor. I am not sure that we could add anything to that at the moment that could widen or create further scrutiny beyond what we already have, which seems to be one of the most transparent and clearly accountable roles in the country at the moment.

Q136 Chair: What has been said to us is that, aside from the points I made about maybe extending or improving scrutiny, that role is confused by the fact that you have Assembly members on the fire authority, which is then scrutinised by the Assembly. You have the waste authority, which is scrutinised by the Assembly, but one of its own members chairs it, but he is actually appointed by the Mayor. Those relationships are very confusing indeed. The Mayor's chief of staff said in evidence that the Assembly should just be a scrutinising body and that should be that, because then everybody would understand their role and it would not get confused by all these different relationships.

Brandon Lewis: I saw the comments about having the Assembly doing purely scrutiny, but the Assembly

ultimately does do that. The other involvement that it has, whether through the fire authority or the waste authority, is on top of the core role of the Assembly itself. The Assembly does still have that ability to scrutinise the Mayor and to challenge him at mayoral questions and through general scrutiny and challenges to any strategies he may wish to bring forward in the first place.

Q137 Chair: But isn't it a bit like Ministers taking executive decisions in this place and then sitting on a Select Committee and questioning their colleagues about what they are doing? Isn't that a rather odd relationship?

Brandon Lewis: Sorry. Could you repeat that?

Chair: Well, it's a bit like having Ministers being able to sit on a Select Committee and question other Ministers about what they are doing. You have Assembly members sitting on an authority and then being able to scrutinise the very bodies of which some of their colleagues may be members.

Brandon Lewis: Yes, but obviously the main Assembly is a much larger body, so there is a much wider group of people there to do the scrutiny. As you say, it is scrutinising decisions that the Mayor has made, because the Mayor has that democratic mandate to get on and deliver the job. The Assembly is there to scrutinise that effectively after the fact.

Q138 Chair: What have we got? A different composition of the various functions. The police are now a direct responsibility of the Mayor. That has been changed. There are Assembly members on the fire authority. You could have Assembly members on the transport authority, but you don't. On waste, you have no right to have Assembly members, but you do. That is not your responsibility—you didn't create it—but it isn't quite the simple model of executive authority being scrutinised by another body that you might ideally like to see.

Brandon Lewis: I wouldn't disagree. With anything such as this, the simpler and clearer it can be, the better. That is part of the beauty of transparency. Don't get me wrong: I will certainly go away and have a look at some of the specific issues raised. I know that this year the fire service has had a lot of scrutiny, particularly in London, around some of the decisions that the Mayor has made to make sure that he is on top of his budgets. But, in that sense, that has been a really good example of the Assembly—and, indeed, the fire authority—being able to hold the Mayor to account for the decisions that he is making.

I could equally argue that that is a good example of how it works, but actually you are quite right. The simpler it is for everybody to understand, and the more transparent it is in that respect, the better it is for everybody.

Q139 Simon Danczuk: Minister, earlier you said that the system works. While you might not say that the system is broken, it is certainly stuttering along and in need of mending. If we look at some of the other inconsistencies that exist in terms of the Assembly's powers, it can reject the appointment of a deputy mayor for policing and crime who is not an Assembly

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member, but not the appointment of any other unelected deputy mayor or any chair or deputy chair of a GLA board. At the same time, the Assembly can reject by a two-thirds majority all the Mayor's statutory strategies, except the police and crime plan. So there are a number of inconsistencies, not least created by the Police Reform and Social Responsibility Act 2011. I presume that you accept the inconsistencies, so what are you going to do resolve the anomalies?

Brandon Lewis: I would not necessarily accept them as inconsistencies. There are different situations for different parts of the Mayor's role. With the Localism Act, we bought in the ability for the Assembly to challenge if it has a two-thirds majority. That is an extra bit of power and scrutiny that the coalition Government brought in, and it is a useful thing to have as an extra check and balance. However, I would come back to the fact that, when the Mayor has been elected, they have the democratic mandate to be a very clear leader, and the ability for the Mayor to appoint their deputies is important.

Policing is slightly different, because the Mayor themselves sits effectively as what other places would refer to as the Police and Crime Commissioner, which they do not on the other bodies such as fire, where the Mayor has obviously appointed people, as he has done with Assembly Member Cleverly.

Q140 Simon Danczuk: Even the Mayor's own chief of staff said that there is a case for consistency across the whole issue. Are you saying to the Committee that you have no intention to correct the anomalies that clearly exist?

Brandon Lewis: As I said, I would not necessarily accept that there are anomalies—there are different things for different parts of the role that have been created. I will say that I know that the Mayor's office made that statement, and obviously we will be looking at the issue. However, there are two sides. For example, I suspect that some people would argue that with fire, there should be no Assembly Members and the Mayor should be allowed to appoint—effectively to have a direct appointment that controls fire, and therefore go the other way and have not necessarily less scrutiny, but less direct involvement from the Assembly, other than through its wider remit—rather than having Assembly Members directly involved.

It is about balancing up whether we go further or take the view that, actually, for one reason or another, this is working for different areas at the moment. The transparency is clear: the Assembly has that ultimate ability to scrutinise the Mayor directly. That does work and people understand it.

Q141 John Stevenson: Your earlier comments quite clearly demonstrated that you support the mayoral model in London; you are supportive of it and you believe that it has worked. You also know that Lord Heseltine has come out and said that the role of the Mayor of London should be rolled out to other parts of the country. The Government's response would appear to be that they agree with him. Will you give us some indication as to when the Government intends to introduce other conurbation mayors? How many

would there be and what would be the time scale for their introduction?

Brandon Lewis: Yes, you are absolutely right: I think that the way the mayoralty in London has been able to grasp public imagination, as much as anything, has got people looking at what goes on in a way that perhaps they did not before. We have had two strong individuals with strong personalities as Mayor—that has been a real asset to the role. In other areas, there is the simplicity of the transparency. People understand that there is not this tier, that tier, and this leader, that councillor, or whatever. There is somebody who is ultimately responsible, and that is a healthy thing.

In terms of conurbations, rather than the Government going out and saying, "This is what we will proclaim from on high," we will be looking for those areas to come to us. I suspect that we will start to see that over the next couple of years and, as we do, we will work with them.

Q142 John Stevenson: From a practical point of view, how are the areas around, say, Manchester going to come together and say, "Hang on, we want a conurbation mayor. We will have x council and y council, and that is the area that should be covered."? Is that really practical? Is that not something that the Government have to do and say, "Right, we are going to have four conurbation mayors outwith London."? Do you see legislation on that basis?

Brandon Lewis: There is a temptation for that, but the problem is that that moves away from locally derived power and localism and back towards our centrally deciding—"This is the geographic area where we think this will work." That is certainly not the way that we are looking to go. We will be looking for representations from the local areas on what they think will work for them. I genuinely think that over the next couple of years we may well start to see it, and as a combined authority Greater Manchester may be one of those areas that starts to look that way. From what I have seen over the past couple of years, these things work best when the local area comes together and says, "This is what works for us." One of the potential strengths in the long run of the local enterprise partnerships is that they were locally determined. It was not someone in Whitehall with a black marker and a map saying, "This is what we want."

Q143 John Stevenson: Accepting your argument that it has to come from the local area upwards to Government, if Greater Manchester came forward and said, "We would like a conurbation here," would you introduce legislation to bring that about, or would you want a referendum first?

Brandon Lewis: Well, at the moment, as I have said, although I can see that happening, we have not had any direct demand from areas. However, if we were asked, we would look at what legislative change is needed and how we can best deliver it.

Q144 John Stevenson: Would you like to see a referendum first in the local area, or would you just

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say, “We have had representations and we think it is a good idea, so let’s do it”?

Brandon Lewis: At the moment, if any particular area wants to go for a mayoralty, they have to have a referendum, as you know. We are looking at the system for that and the percentages that they need to do that. If a conurbation came forward, we would have to look at the particular request from that area and how that would best work for people.

Q145 John Stevenson: Just a final question. Do you think that the London Mayor model could be introduced for county councils?

Brandon Lewis: If you are looking at county councils, there is nothing to stop a county council area looking at a mayoral model and having a referendum on it now.

Q146 John Stevenson: It is a slightly different model, which you will appreciate.

Brandon Lewis: Yes, it is, but the ability to have a directly elected mayor in a county is the same as it is for any district or unitary area. They could go ahead with that now, but we have not had anybody coming forward wanting to do that just that.

Chair: Thank you very much indeed, Minister.

Written evidence

Written submission from the Department for Communities and Local Government (GLA 00)

Thank you for your letter of 20 December regarding the Committee's decision to carry out post-legislative scrutiny of the Greater London Authority Act 2007. I am pleased to hear that you found the Department's memorandum useful.

You requested the Government's views on the financial impact of the 2007 Act, specifically:

- How much did the Act cost to implement?
- What are the estimated costs of its operation?
- How do these compare to any impact assessment made at the time the legislation was passed?

When considering the Greater London Authority 2007 Act, it is important to view it in the context of much greater change and devolution that both preceded and succeeded it. You will be aware that the GLA 1999 Act was a far more significant Act that created the current system of London governance in its entirety. The 2011 Localism Act also made significant changes to the responsibilities of the GLA, that went far beyond the 2007 Act, including the devolution of responsibility for housing, economic development and Olympic Legacy.

In addition to the cost associated with the passage of the Bill through Parliament, the GLA Act 2007 only had marginal resource implications for the GLA. In almost all cases, the new responsibilities were subsumed into existing work programmes and resources; for example in the areas of planning, housing and skills & employment only marginal increases were made to staffing levels and budgets.

The Government provided additional, and distinct, grant funding to the London Waste and Recycling Board (LWARB). The Department of Food and Rural Affairs (Defra) confirmed that LWARB would receive E18 million for the Spending Review period (2011–15). This E18 million was added to £6.3 million which remained available from the previous funding round, plus an estimated £2 million of loan income coming in from previously funded projects. This brings the total available funds over 2011–15 to £26.3 million. In terms of the benefits of the Waste and Recycling Board, which you raise in your broader call for evidence, it has heavily invested in infrastructure projects designed to deliver significant landfill diversion, boost recycling and generate renewable energy from the reprocessing of waste. The Board has also provided opportunities for boroughs to act collectively, for example, enabling joint procurement.

Similarly, the governance reforms brought in through the Act did not place additional burdens on the UK public purse as they did not require intensive staffing resources or substantial programme budgets; for example in the areas of the Assembly's own budget, board appointments and new statutory strategies the GLA modified existing processes and initiatives to ensure that it complied with the Act in an efficient and effective manner. This was anticipated in the Regulatory Impact Assessment of the GLA Bill which concluded that the changes introduced through this act were minor and involved minimal cost.

It is worth noting that the Greater London Authority Act 2007 did not establish the London Skills and Employment Board, which was established by the Further Education and Training Act 2007. The London Housing Board, which is also mentioned in the call for evidence, was also not established through the GLA Act 2007, nor is it a statutory body.

February 2013

Written submission from the Mayor of London (GLA 01)

OVERVIEW

1. The Greater London Authority (GLA) Act 2007 was the culmination of the first review of the powers provided to London government through the GLA Act 1999, the Act which restored citywide government to the capital.

2. There has been a subsequent revision of those powers through the Localism Act 2011 and so the issues being raised by the Committee should also be seen through the prism of this more recent piece of legislation.

3. It would be reasonable to view the GLA Act 2007 as representing incremental rather than radical change. The Act focused on four principal policy areas:

- Planning;
- Housing;
- Waste; and
- Skills and employment.

4. In the case of waste, the former Mayor did not achieve his stated wish of creating a single waste authority for London under the Mayoralty. The creation of the London Waste & Recycling Board (LWARB) should be seen in this light.

5. In the other areas, some changes were instigated—the Mayorality was given a strategic role in housing and skills & employment matters—but there was not a major transfer of responsibilities, budgets or staff.

6. On housing, the strategic housing powers conferred on the Mayor by the Act did to some extent increase the Mayor’s ability to deliver his housing aims. However, the reforms at best represented only partial devolution and did not provide the ability to hold those delivering housing in London to account commensurate with the expectations surrounding the Mayor’s role.

7. On skills and employment, the London Skills & Employment Board (LSEB) operated from 2006 to 2010 and created a robust evidence base and a straightforward, effective skills and employment strategy for London. Its work is continued by the London Enterprise Panel (LEP).

8. As a result of the LSEB’s work, London had an accessible and coherent approach to tackling the complexities and fragmentation of London’s skills and employment landscape. The LSEB’s first London skills and employment strategy generated a set of positive relationships between partners that have endured beyond the LSEB’s lifespan.

9. The most controversial change was made in the area of planning decisions. The Mayorality was given the power—for the first time—to call in and take over major applications rather than just veto them, as had initially been the case.

10. Understandably, London boroughs were apprehensive about this change. The GLA is of the view that the new power has been used sparingly and judiciously—in each case, it can be justifiably argued that the power was invoked for the good of London as a whole.

11. The Localism Act moved matters on further by:

- Transferring the Homes & Communities Agency’s (HCA) London functions to the GLA;
- Transferring the London Development Agency’s (LDA) functions to the GLA; and
- The creation of the London Legacy Development Corporation (LLDC) as a functional body of the GLA with responsibility for the transformation of the Olympic Park.

12. The transfer of HCA and LDA functions and the creation of the LLDC involved significant additional policy, budget and staffing responsibilities for the GLA. In this sense, it would seem reasonable to conclude that the Localism Act was somewhat bolder in awarding further devolution to London government than the GLA Act 2007 had been.

13. It seems unlikely that there will be any imminent further reforms to the role of London government, given that the review culminating in the Localism Act has only recently been fully implemented. However, that is not to say, that the Mayorality lacks ambition for London. Areas with potential for further devolution to the GLA include:

- Greater financial devolution—the Mayor has established the London Finance Commission with a view to establishing a more sustainable funding regime for London government;
- Outcomes arising from the Mayor’s 2020 Vision document—in an increasingly globalised world a plan is needed to deal with the significant challenges presented by both rapid population growth and ever more competitive economic conditions. The Vision will set out a consensus view of the economic and social infrastructure needed if the capital city is to thrive in the current world environment and contribute to the nation’s wealth; and
- Transfer of responsibility for suburban train services in the capital to Transport for London (TfL)—this would build on TfL’s successful operation of its “Overground” service.

14. There follow sections on:

- Planning;
- Waste;
- Statutory Strategies;
- The London Assembly;
- Appointments to the TfL Board; and
- Appointments to the London Fire & Emergency Planning Authority (LFEPA).

PLANNING

15. The GLA Act 2007 introduced two new Mayoral powers:

- The power to direct changes to London boroughs’ Local Development Schemes (their planning policy work programme); and
- The power to direct that the Mayor is to become the local planning authority.

16. The power to direct changes to London boroughs’ Local Development Schemes has only been used once, and in light of subsequent changes to the development plan process is only likely to be used exceptionally.

17. The power to direct that the Mayor is to become the planning authority has been used six times, since coming into effect in 2008:

- Columbus Tower;
- Southall Gasworks;
- Benedict Wharf (SITA);
- Saatchi site;
- The London Fruit & Wool Exchange; and
- Eileen House.

18. Representation Hearings have been held for five of these, with the 6th, for Eileen House, due in late February 2013.

19. There is no evidence from these cases that the Mayor has used the process to revise the distribution of Section 106 payments in favour of infrastructure projects of interest to the Mayor.

20. For Columbus Tower, there was a ring-fenced re-distribution of the transport package from cycleway upgrades to Crossrail.

21. For Southall Gasworks, the total section 106 pot remained the same but there was some re-distribution from projects in Ealing to projects in Hillingdon, following negotiation with the two boroughs in question. Disagreements between the two boroughs over the impact of the development had historically been a significant barrier to development of the site (which straddles the borough boundary). The Mayor's intervention was welcomed.

22. For Saatchi, the total section 106 package was increased (with the additional amount going towards Crossrail, to comply with the relevant Supplementary Planning Guidance—SPG—that had subsequently been adopted) as a result of Mayoral intervention.

23. For Benedict Wharf and the London Fruit and Wool Exchange, the section 106 package remained unchanged.

24. In all cases, there had been some objections that the Mayor has intervened at all. However, it also fair to say that objectors have been satisfied that the Representation Hearing has operated impartially and have welcomed being given the opportunity to present their case (as have scheme supporters).

25. In all cases, the boroughs have continued to be involved in section 106 negotiations after the Mayoral decision, have signed the section 106 agreement and have been the recipient of section 106 monies. The Mayor has not opted to receive payments.

26. Similarly, the boroughs have—in general—appreciated the additional experience and negotiating skills that the GLA can bring to bear in order to resolve outstanding issues. In all cases to date, the applications have been recommended for approval by officers and overturned by Members. As such, officers were facing lengthy and costly public inquiries which would have been very difficult to defend. In these instances, the intervention of the Mayor has not only saved public (and indeed private) expenditure but delivered a planning decision more quickly.

27. There is also evidence that the prospect of Mayoral intervention has helped focus applicants and boroughs (Members in particular) on delivering a timely decision on other schemes.

WASTE

28. LWARB comprises a board of eight members. There are four borough Members, three independent members and the Chair, who is either the Mayor or his representative. The Mayor and the London boroughs support the work of LWARB and have jointly supported LWARB's request to Government to provide additional funding in the next Spending Review period.

29. Longer term, the aim is that, through returns on its investments, LWARB becomes self financing, and can continue to deliver improvements in waste management in London without relying upon further taxpayer support.

30. LWARB has supported a range of projects covering waste minimisation, reuse, recycling and waste infrastructure, as well as a waste efficiency project. In summary LWARB has:

- Recently reached financial close on an Anaerobic Digestion plant and In Vessel Composting facility in East London, which is now under construction and expects to reach close on a further two projects this year, with a combined tonnage of circa 150,000 tonnes per year;
- Committed finance to five infrastructure projects that will deliver almost 10,000,000 tonnes of waste diversion from landfill over their lifetime, and nearly 3,000,000 tonnes of CO₂ avoidance. LWARB's total commitment to these projects is £22 million, which will lever in around an additional £182 million of private sector finance. LWARB funds are provided on a commercial (and therefore recyclable) basis and LWARB will only invest in projects where it can be demonstrated that the funding cannot be obtained from the private sector finance community;

- Made an £18 million investment into a waste Urban Development Fund under the umbrella London Green Fund (LGF). The total waste fund stands at £60 million. Debt is often an essential ingredient in meeting equity investor return requirements. As such, LWARB and LGF are often looking to co-invest. A well funded LWARB is therefore a key ingredient to enabling these infrastructure projects to happen;
- Provided £14 million to support reuse and recycling initiatives in London. It is expected that this will lead to an additional 230,000 tonnes of material reused and recycled over the lifetime of these projects. Current data indicates that these projects have reused and recycled almost 80,000 tonnes of material to date;
- Funded the London Reuse Network (in addition to separate food and furniture reuse investments) which is expected to deliver around 200 jobs (of which 50 have been delivered to date), just over 3,000 training places (148 to date), 3,700 volunteer places (85 to date), and 1,600 work placements (42 to date);
- Established an efficiencies programme. The first borough waste Efficiency Reviews have been conducted and the recommendations are beginning to be implemented. It is hoped that the first two Efficiency Reviews could lead to savings of around £1 million (including some one-off savings). The costs of these Efficiency Reviews are covered by LWARB but are repayable upon savings being realised; and
- Established a joint equipment procurement scheme that leads to savings of around 10%.

31. LWARB was designed so as not to add additional burdens—financial or otherwise—to the Mayor and the boroughs. It has a small, but expert, compliment of staff.

32. The extent to which LWARB is successful in making the case to Government for funding in the next Spending Review period (2015 onwards) will determine its future. In an era of reducing the number of public bodies—particularly the number of smaller public bodies—its existence will need to be kept under ongoing review.

STATUTORY STRATEGIES

33. The GLA Act 2007 introduced three new Mayoral statutory strategies:

- Health inequalities; and
- Two new environmental strategies:
 - Climate change mitigation and energy;
 - Climate change adaptation.

Health Inequalities Strategy

34. The Health Inequalities Strategy (HIS) was published in April 2010 and is structured around the principles of the Marmot Report. It describes actions that the city needs to take to reduce health inequalities over the next 20 years.

35. There are a number of examples where the resulting work has influenced policy and practice in boroughs:
- The Healthy Workplace Charter (launched in 2012) is run from the GLA and facilitates boroughs' work with employers to create health improving workplaces and reduce work related health issues;
 - The development of the Healthy Schools London model by the GLA has led to four boroughs reinvesting in the local Healthy Schools work;
 - The GLA has commissioned the Marmot Team to offer assistance to boroughs to improve how the social determinants of health are reflected in joint strategic needs assessments (JSNA);
 - The Well London programme is funded through the Big Lottery, and hosted in the GLA. This programme has worked with 20 of the most deprived boroughs to empower those communities that suffer most from health inequalities; and
 - The GLA has hosted regular events marking World Aids Day, along with the Mayor's Ambassador for HIV Annie Lennox, aimed at the reduction of stigma and inequalities suffered by those living with HIV.

36. The current health reforms—including the repositioning of public health responsibilities within local government—will be key to the future delivery mechanisms for the strategy.

Environmental strategies

37. The GLA Act 1999 established four statutory environmental strategies:

- Municipal waste;
- Air quality;

- Noise; and
- Biodiversity.

38. The GLA Act 2007 introduced two new statutory environmental strategies to reflect London's role in contributing to national climate change initiatives:

- Climate change mitigation and energy; and
- Climate change adaptation.

39. The Localism Act 2011 combined all six statutory environmental strategies to form a single statutory environmental strategy.

40. Whilst specific powers to implement the statutory environmental strategy do not generally exist, the GLA has encountered success in influencing policy and delivery across a broad range of stakeholders. The strategy sets out the vision and direction that the Mayor wishes to take which, alongside the Mayor's status and profile, has helped deliver outcomes. This success has been supported by the integration of key policies within the London Plan, which has a strong influence over development in London.

THE LONDON ASSEMBLY

41. As the London Assembly is the democratically elected body charged with holding the Mayor to account, it would be inappropriate for the Mayor to comment on the Assembly's discharge of its responsibilities.

APPOINTMENTS TO THE TfL BOARD

42. The GLA Act 1999 prohibited the Mayor appointing Assembly Members, and other elected representatives, to the TfL Board. The GLA Act 2007 removed that prohibition. An Assembly Member has yet to be appointed to the TfL Board, although there have been a few instances of councillors being appointed.

APPOINTMENTS TO LFEPA

43. At its meeting on 21 January 2013, LFEPA agreed a series of amendments to the Draft Fifth London Safety Plan put forward by the Fire Commissioner. The Mayor considers that the amendments have rendered the Draft Fifth London Safety Plan unfit for purpose by removing all reference to fire station closures and have made the Authority's future budgetary position (2014–15 onwards) unsustainable.

44. The Mayor views the actions of a narrow majority of LFEPA Members (the vote to amend was nine in favour and eight against) as irresponsible and stemming from the unsatisfactory composition of the Authority's membership:

- Eight Assembly Members appointed according to political proportionality;
- Seven borough representatives appointed according to political proportionality; and
- Two Mayoral appointees.

45. The composition prior to the GLA Act 2007 was nine Assembly Members and eight borough representatives. The Government consultation paper in the run-up to the 2007 Act proposed that there should be four (rather than two) Mayoral appointees to reflect the Mayor's strategic role, alongside seven Assembly Members and six borough representatives.

46. Responses to the consultation led to this number being reduced from four down to two. The consequence of that reduction is that the Mayor is unlikely to command a majority in support of his policies among the LFEPA membership.

47. The Mayor recommends that the Government restores the initial proposals for four Mayoral appointees to LFEPA. That would be a better reflection of the Mayor's role and put an end to the dysfunctional arrangements which have recently been witnessed in relation to the Authority's future service provision and budgetary position.

February 2013

Written submission from MayorWatch (GLA 02)

Please find enclosed my submission which I hope will be considered as part of the Committee's post-legislative scrutiny of the Greater London Authority Act 2007.

I have limited my response to those areas covering the powers and effectiveness of the London Assembly.

I write in my capacity as journalist and editor of MayorWatch, a non-partisan and politically independent publication which has been following the Greater London Authority since 2000.

Are the Assembly's powers and method of operation effective?

Is the Assembly effective in holding the Mayor to account? If not, what is the remedy?

I believe the Assembly is both an effective check on the Mayor and champion for Londoners in its own right.

In recent years it has made great progress in stepping out of the Mayor's shadow and increasing public awareness of its work.

Some of this success has been achieved through investigations into issues affecting a diverse range of groups including cyclists, residents affected by airport noise and mobility impaired transport users.

Media coverage of these investigations appears to be higher than at any stage in the Assembly's history.

It is increasingly common to see reports concerning the Assembly where there is no reference to the Mayor or where the narrative is driven by the Assembly's work rather than its response to a Mayoral policy or announcement.

Coverage of a recent Assembly report on the level of service victims of crime receive from the Metropolitan Police Service is a good example of this.

The change in the Met's governance arrangements, which saw the Metropolitan Police Authority replaced with the Mayor's Office for Policing and Crime and the Assembly's Police and Crime Committee, has also placed the Assembly more firmly in the public eye.

However while this greater profile enhances the Assembly's ability to hold the Mayor to account, it remains disadvantaged by the ability of the executive and Greater London Authority's functional bodies, such as Transport for London, to withhold information.

An all-party report (London Assembly response to the Mayor's draft 2013–14 budget, 23 January 2013, <http://www.london.gov.uk/publication/london-assembly-response-mayors-draft-201314-budget>) has raised concerns that TfL's refusal to disclose advice which informed the Mayor's decision to increase fares has hampered scrutiny of the GLA budget.

Since the May 2012 election the Assembly's scrutiny of the Mayor's Office for Policing and Crime (MOPAC) has taken place in the shadow of a row over access to the Metropolitan Police Commissioner, his senior team and MPS information.

Assembly Members have repeatedly, and in my view correctly, argued that scrutiny of MOPAC requires access to MPS officers and information and that they should not have to request information via MOPAC in order to carry out that scrutiny.

To set the Assembly's stance in context, in January 2012 they and Londoners were assured that AMs would have regular access to the Commissioner.

In an interview with myself (Kit Malthouse discusses police scrutiny changes, 16 January 2012, <http://www.mayorwatch.co.uk/kit-malthouse-discusses-police-scrutiny-changes/201218423>) Kit Malthouse AM, then Deputy Mayor for Policing, said:

"While I'm Deputy Mayor for Policing and Boris is Mayor it would be inconceivable that the commissioner will not accept an invitation to appear in front of the Assembly and answer questions."

However in June 2012 the Police and Crime Committee discovered just minutes before a meeting where they expected question him that Mr Malthouse's successor had unilaterally instructed the Commissioner not to attend.

Despite the 2012 election returning the incumbent Mayor, MOPAC's position had changed without any prior public discussion or announcement. More confusingly, this new position appeared out of step with the Mayor's own stance, which in September he summarised as follows:

"when we embarked on the reforms and I effectively became the Commissioner for London, it was always going to be in my mind that the function of the Assembly was to provide the scrutiny function of the old Metropolitan Police Authority (MPA) and I stick to that."

(Mayor Boris Johnson, Mayor's Question Time, 19 September 2012, <http://www.london.gov.uk/moderngov/documents/b6957/Minutes%20-%20Appendix%202%20-%20Questions%20to%20the%20.pdf?T=9>)

Following the June 2012 PCC meeting there was a marked souring in the relationship between the Committee and MOPAC over this issue.

The deadlock was finally broken after an intervention by the Mayor's Chief of Staff who wrote to the Committee in November to confirm that AMs had the freedom to invite "relevant senior MPS officers to PCC meetings" and that in future it would be "a matter for the PCC to decide who to invite, whether this be the Commissioner or his representative at the monthly Q&A sessions, and for this to be settled between the PCC and the MPS".

While the intervention appears to have calmed the waters, it is undesirable that scrutiny of such an important area be dependent on a gentlemen's agreement which does not bind future Mayors.

To address this issue and prevent repeats in this and other policy areas, I believe the Assembly's right to summons witnesses should be enhanced to ensure it always has access to senior staff and executives within all Greater London Authority functional bodies and Mayoral agencies.

This power should also cover all agencies and public services funded, overseen or working in partnership with the GLA and commercial operators who play a key role in delivering services under its branding, for example transport operators delivering services on behalf of Transport for London.

The Localism Act 2011 introduced a power for the Assembly to reject Mayoral strategies on a two-thirds majority, but, we understand, that it has not been used; neither has the equivalent power over the budget introduced in the 1999 Act. Do these powers serve any purpose and could they ever be used?

The system presumes that Mayoral budgets and strategies will pass in their original form unless two-thirds of Assembly Members can agree a common amendment.

While ordinarily Londoners would expect the will of their directly elected Mayor to prevail, it's important that an office-holder who enjoys few sanctions between elections knows they can be "reigned in" by a body with an equally legitimate electoral mandate.

For this reason retaining the Assembly's power to amend Mayoral budgets and strategies is an essential tool in protecting Londoners against a Mayor adopting a risky or extreme fiscal or policy position.

However the two-thirds requirement is likely to be achieved only in the most extreme circumstances.

In June 2010, then Deputy Mayor of London Richard Barnes AM told me:

"...we knew at the May 2008 election that every one of the current Mayor's budgets would get through, full stop, simply because of the number [of Tory AMs] that were there and the inability of anybody to create or manufacture a coalition to overturn it."

<http://www.mayorwatch.co.uk/gla-at-10-richard-barnes-interview/201011668>

While retaining the presumption of Mayoral will prevailing is important in ensuring a Mayor has the freedom to deliver manifesto commitments and priorities, consideration should be given to reducing the majority from two-thirds to a simple numerical majority for both budgets and strategies.

This would make it more likely that the Assembly could act to curtail unreasonable or extreme behaviour without making it easier for opposition groups to cause mischief as all foreseeable Assembly configurations suggest that a successful amendment would still require at least two, more likely three, separate parties to agree a common position.

Is there a conflict of interest because of the requirement to appoint Assembly members to the boards of Transport for London and the London Fire and Emergency Planning Authority when part of the job of the Assembly is to hold these bodies to account?

The rules governing appointments to Transport for London allow, but do not mandate, the appointment of Assembly Members. There are currently no AMs serving on the TfL board.

My perception is that Assembly scrutiny of the London Fire and Emergency Planning Authority (LFEPA) is most often focussed around its budget and the impact this has on the London Fire Brigade's ability to protect Londoners.

Assembly Members are therefore more often seeking information, education and clarification from the Fire Commissioner and senior LFB officers to inform their scrutiny of the Mayor's budget.

As it is often the City Hall executive which is being scrutinised, rather than the Brigade itself, the potential for conflict is minimal.

There have been occasions, such as the Assembly's report into the July 7th bombings, where the Brigade's operational performance comes under scrutiny, but with operational matters being the concern of the Brigade's Commissioner rather than the LFEPA board there remains little scope for conflict.

However there are questions about the need to retain LFEPA in its current shape and form.

Under section 328A (1) of the Greater London Authority Act 1999, the Mayor has the power to direct LFEPA to discharge his instructions.

In recent weeks this power has been used (MD1140 Mayoral Direction to LFEPA <http://www.london.gov.uk/who-runs-london/mayor/mayoral-decisions/md1140>) to approve a consultation on a new Draft London Safety Plan.

The Mayor's Direction was issued after a majority of LFEPA members amended a motion approving the consultation to remove any mention of station closures and appliance reductions which derive from a need to meet a reduced funding settlement from City Hall and the UK Government.

By amending the motion, Authority members sought to pause the closures in order to pressure the Mayor to increase his funding.

Given that the Mayor holds the power to overrule such a vote, it is debatable to what extent LFEPa can be said to be an independent, cross-party body merely reliant on the Mayor for some of its funding, rather than a body under his direct control.

I suggest that the governance arrangements for LFEPa should be reformed along the lines of the Mayor's Office for Policing and Crime, with a new statutory Deputy Mayor heading a Mayor's Office for Fire and Public Safety which is then scrutinised by a committee of the Assembly.

February 2013

Written submission from the London Councils (GLA 03)

OVERVIEW

1. London Councils represents all 32 London boroughs and the City of London. We are committed to fighting for more resources for the Capital and getting the best possible deal for London's 33 councils. We develop policy, lobby government and others, and run a range of services designed to make life better for Londoners.

2. We welcome the Select Committee's Inquiry into the Greater London Authority Act 2007 and are pleased to submit written evidence for consideration.

3. Our general view is that the 2007 Act represents an important step on the road towards greater local decentralisation and partnership between London boroughs and the Mayor. Over the last 12 years the governance of London has developed significantly and recently the London boroughs and the Mayor have developed joint arrangements to tackle issues at the strategic level.

4. In July 2010 we wrote jointly with the Mayor of London and the London Assembly to the Secretary of State for Communities and Local Government proposing a devolution package for London. Subsequently, through robust partnerships such as the Homes for London Board, the London Waste and Recycling Board and the London Crime Reduction Board, we have delivered better results for the public and developed solutions that reach across the Capital.

5. However, London government may need further formal underpinning if we are to secure the powers and financial flexibilities necessary for continued growth and competitiveness.

6. With this in mind our submission offers evidence on the following questions:

- (1) *Planning, infrastructure and growth*—we feel that planning and infrastructure investment requires a re-energised and devolved approach to drive growth.
- (2) *The London Waste and Recycling Board*—we support the Board and believe there is good evidence of its impact on London's waste management systems and performance.
- (3) *Governance arrangements in London*—we feel that the continued development and enhancement of a robust framework for joint action between the Mayor and the boroughs offers the best practical solution to London's challenges.

INTRODUCTION

7. In 2001, London had a population of just over 7.1 million people. In the last 10 years this has grown by 14% to nearly 8.2 million. Over the next decade London's population is forecast to grow by a further 14%. By 2021 London will be home to nearly 9.2 million people. As a city with a young, diverse population London will see growth in the number of young children unmatched across England. As a city with a global reputation for business, research and culture, London will need to harness the energy and creativity of its residents and leaders if it is to meet emerging challenges from across the globe.

8. The architecture of London governance, like the city itself, continues to develop and evolve. The passage of the GLA Act 1999 redefined London's institutional landscape. The GLA Act 2007, the Localism Act 2011 and the Police Reform and Social Responsibility Act 2011 made further alterations. In each Act the tendency has been to channel powers towards the regional tier, but devolve very little to London's boroughs.

9. The reluctance of national government to devolve powers below the regional tier risks London's ability to grow and meet the demands of governing a global city. This risks frustrating London boroughs who feel increasingly excluded from powers and freedoms available to local authorities outside the Capital.

10. Reflecting on the 2007 Act and the questions raised by this Select Committee Inquiry, we are struck by how rapidly events have outpaced the best intentions of five years ago. The powers conferred by Act have functioned well-enough in their own right, yet were clearly drafted in a less uncertain context.

11. London needs an effective Mayor, a regional tier of government able to provide strategic direction, but an effective Mayor alone is not sufficient. Indeed, with each new challenge the solutions that sustain are

invariably the result of London's boroughs and the Mayor working in partnership, often in spite rather than because of London's legislative framework.

12. The joint letter between London Councils, the Mayor and the London Assembly to the Secretary of State for Communities and Local Government in July 2010 (attached as Appendix A) provides wide-ranging evidence of this ambitious partnership and frames much of the commentary set out below. It contained a number of proposals, including: the transfer of the Homes and Communities Agency London to the Greater London Authority, discretion not to produce Mayoral strategies that do not have associated implantation powers; and, a strengthening of the London Waste and Recycling Board.

13. This devolution package built on the 2007 Act at a time when institutions were still developing. Now, three years later, we call for an exploration of how these partnerships can be strengthened and deepened. It may be that national government can support this process in using more formal underpinning to make devolution permanent and lock in the collaborative model we have developed.

PLANNING, INFRASTRUCTURE AND GROWTH

14. In submitting evidence to the Mayor's Vision for 2020, London Councils highlighted boroughs' eagerness to build on their critical role in shaping and developing the social and physical infrastructure of our city to meet the aspirations of our communities. We went on call for:

- I. Devolution of power and influence over:
 - The commissioning of adult skills training alongside the Mayor and the LEP;
 - The commissioning of personalised programmes to tackle worklessness and unemployment.
- II. Devolved commissioning powers for boroughs to promote economic growth, including:
 - Empowering boroughs to deliver directly on transport infrastructure, to improve connectivity and unlock development sites;
 - Flexibilities to maximise borrowing against housing revenue;
 - Measures to ensure developers use local labour and suppliers.
- III. An expanded role for boroughs in the leadership and coordination of public services in their area:
 - Pooling of budgets and responsibilities under local leadership will be key to joining up the multitude of public interventions in an efficient and responsive package to tackle ingrained problems, such as persistent re-offending.

15. The submission also outlined a number of medium-sized infrastructure projects that would help unlock growth across the Capital. We went on to identify a critical shortage in commissioning capacity that slows these projects getting off the ground and would potentially see them grind to a halt if a major project such as a new aviation hub for London were agreed. We also noted that boroughs would welcome an open conversation on future use of the Community Infrastructure Levy¹ (CIL), after Crossrail 1, to avoid crowding out local development opportunities.

16. In parallel to the development of the 2020 vision, which will be published in the coming months, the London Finance Commission, chaired by Professor Tony Travers, is considering the funding issues facing London in detail and is due to report in April. London Councils and London local government generally are strongly represented on the Commission. Without wishing to pre-empt the recommendations of the Commission there is an emerging sense that a clear framework for long term strategic investment would support a more coherent approach to infrastructure planning at all levels.

17. The Mayor's approach to the strategic planning powers conferred by the 2007 Act has broadly recognised the tension between local and citywide priorities. Since the Act's planning powers commenced, six schemes have been called-in for consideration. Of these, five have been discussed at public hearings and in each instance the Mayor has decided that planning permission be granted. While we accept that the exercise of this power has so far been limited we continue to believe that the thresholds for referral of plans to the Mayor should be reviewed.

LONDON WASTE AND RECYCLING BOARD

18. Managing waste in a city such as London is a complex and expensive business. London boroughs are forecast to spend over £800 million in 2012–13 on environmental and regulatory services. Of this, approximately £400 million will be spent on waste management alone. Already the third largest area of local government expenditure, by 2020 London Councils estimates these figures will have grown by almost 10%.

¹ From April 2012, London boroughs are required to collect a Community Infrastructure Levy on behalf of the Mayor and must take account of the rate of Mayoral CIL when assessing the viability of their CIL rate. There is no obligation on the Mayor to take account of borough CIL or S106 arrangements when setting his CIL. The funding agreement for Crossrail 1 requires the Mayor to raise £300 million through CIL over the seven years to 2019. Although London Councils firmly supports the development of Crossrail it is not yet clear what will happen to Mayoral CIL once this project is funded. This presents the risk that money raised through CIL may not reach projects important to local authorities.

19. The London Waste and Recycling Board provides a substantial financial and organisational resource for London boroughs and the Mayor to engage in partnership on these issues. New Board members were appointed in 2012² and there is strong borough representation from across the Capital. The Board stands as an example of London Councils, the London Assembly and the Mayor working together in robust partnership to tackle a critical challenge for London.

20. Since its establishment in August 2008 the Board has committed almost £54 million to a wide range of projects across the Capital. These include: one of the UK's first large scale advanced gasification plants; a plastic reprocessing plant; and, £14 million to re-use and recycling initiatives, including a highly successful flats recycling programme which saved over £200,000 through joint procurement. These initiatives are estimated to have diverted 80,000 tonnes from landfill so far.

21. The Board will have helped to create 330 jobs, as well as around 3,000 trainee roles and 1,600 work placements. It has attracted around £226 million of external investment by funding schemes such as London Green Fund, where £18 million has been matched by the London European Regional Development Fund and a further £35 million from the private sector. Planned projects are expected to divert over 465,000 tonnes of waste from landfill each year and displace almost three million tonnes of CO₂.

22. The London Waste and Recycling Board has become fully embedded as part of London's strategic decision-making and investment architecture. Its role as a broker and co-ordinator of best practice will prove essential in meeting the challenges of the coming years. London Councils recognises the Board's role in driving forward new approaches capable of achieving significant cost savings and providing dedicated support for borough and community infrastructure projects.

LONDON GOVERNANCE

23. In our publication "Governing London towards 2016", (attached as Appendix B) we outlined a framework for joint action, within which the Mayor and the boroughs can deliver practical answers to London's challenges:

- (1) Speaking up for fair resources for London;
- (2) Acting as a voice for London, ensuring that one-size-fits-all national policies do not disadvantage Londoners;
- (3) Where we have joint arrangements, using them as real partnerships;
- (4) Where we have a problem in common, aligning our resources to maximise the impact;
- (5) Where real benefits can be obtained through further devolution from the centre, using our proven partnership model.

24. Building on this framework, London boroughs and the current Mayor have put in place a number of partnerships that provide an increasingly substantial part of London's governance architecture.

25. Through the Homes for London Board, the Capital's desperate need for new affordable housing is being tackled through a strategic and shared approach to housing investment decision-making. Similarly, the London Crime Reduction Board provides a forum for the boroughs and the Mayor to agree a co-ordinated approach to crime reduction, local policing and community safety. The London Waste and Recycling Board provides a significant resource for the Mayor and London boroughs to work in partnership. The London Enterprise Panel is driving the creation of jobs and growth as a key influence on transport, housing and inward investment. Furthermore, the developing plans for a London Health Board will provide a valuable new mechanism for joining up political and health sector leadership to tackle the Capital's health challenges.

26. These arrangements shape the delivery of services and investment. Crucially, these partnerships allow different parts of London's governance to mediate their interest to make the case for the City and serve Londoners.

27. As the London Finance Commission proceeds and we move to greater collaboration within the context of a devolution and City Deal agenda, we recognise that this evolving governance framework may need more formal underpinning, so that we can jointly deliver a sustainable approach to effective devolved governance in London.

28. Whilst these joint arrangements have become a feature of London's governance, it is also important that further devolution from the centre is, in each case, thought through carefully in terms of the right spatial level for such devolution. In some cases, it will be at a London wide level and in some others the sort of joint arrangement we have described will be an effective solution. Equally, London boroughs—both individually and in groups—should on their own be able in many cases to enjoy the same sort of devolution as other upper tier councils across the country in order to secure better outcomes for local people.

² (Cllr Clyde Loakes, second term, Cllr David Williams, second term, Cllr Bassam Mahfouz, first term, Cllr Nicolas Paget-Brown, first term, Melville Haggard, Independent, first term, Barbara Anderson, Independent, first term, Matthew Pencharz, Mayors' Independent, Richard Tracey AM, Mayor's representative and Chair)

CONCLUSION

29. In considering the Greater London Authority Act 2007 London Councils is conscious of how much the Capital has changed and how partnership has emerged as a key ingredient to meeting the strategic challenges posed by this change. In looking backward, we are also minded to look forward, to a decade characterised by increased infrastructure and service demands; demands that will need to be addressed against the backdrop of an increasingly stark fiscal climate.

30. London government is going to need new powers to join up local services and commission programmes that expand the Capital's social and physical infrastructure. It is going to need financial settlements that properly reflect demographic change and the flexibility to work with a streamlined pot for investment across the capital. The 2007 Act may have reflected the issues of the time, but its lasting legacy is to underline the importance of legislation that frees London's leaders to achieve their ambitions and supports sustainable partnerships able to face the future challenges of governing a global city.

February 2013

Written submission from the London Assembly (GLA 04)

The operation of the greater London Authority Act 2007 and the operation of the London Assembly—submission to the Communities and Local Government Committee.

The London Assembly welcomes the review of the Greater London Authority (GLA) Act 2007 and the operation of the Assembly and the opportunity to provide a written submission to the review.

In the 12 years since the establishment of the GLA, the Mayor's powers and areas of responsibility have expanded. The Assembly's tools to scrutinise those responsibilities, and the constraints of local government legislation under which they are operated, have broadly remained the same. The Assembly believes its power to scrutinise could and should be strengthened to improve decision making and delivery at the GLA.

1. DEPARTMENT OF COMMUNITIES AND LOCAL GOVERNMENT MEMORANDUM ON THE GLA ACT 2007

The Assembly would broadly agree with the Department's assessment that the GLA Act 2007 has had a relatively modest impact. Specific provisions are addressed below.

Subsequent legislative changes in the Localism Act 2011 and the Police Reform and Social Responsibility Act 2011 have had a greater impact on the operation of the GLA, shifting more of the balance of its functions from strategy development to operational implementation.

2. GLA ACT 2007 IMPACT ON ASSEMBLY POWERS AND BUDGET

2.1 *Separate component budgets for the Assembly and the Mayor*

The Act required that the Authority's budget be presented as separate components for the Mayor and Assembly. This has been described as giving the Assembly the power to set its own independent budget, however this is not the case. While the Assembly decides how its final settlement is allocated it has less power over what that final settlement is than it has over the other parts of the GLA budget.

The Mayor sets all component parts of the GLA Group budget, including that for the Assembly. The Assembly may only amend component budgets if two-thirds of members agree to do so.

The Assembly may vote to increase or decrease component budgets for the Mayor, Transport for London, the Mayor's Office for Policing and Crime, the London Fire & Emergency Planning Authority and the London Legacy Development Corporation, subject to achieving that two-thirds majority.

The Assembly's amendment powers in respect of its own component budget are limited by s13 of the Act. The Assembly may only amend its budget component by up to the same percentage increase (or decrease) that the Mayor has set for his own component budget as compared to the previous financial year.

The 2007 Act thus sets a ceiling for the Assembly's ability to amend its own budget but does not set a floor below which a Mayor may not reduce the Assembly's budget.

If the Assembly is to have real budgetary independence further measures are needed, either the allocation to the Assembly of a fixed proportion of the Mayor's component budget, or a provision for the Assembly to set a separate precept to provide any funding beyond grant levels.

2.2 *Confirmation hearings*

The Act gave the Assembly the power to hold confirmation hearings for specified mayoral appointments. While confirmation hearings provide for a public examination of the qualifications and fitness of a nominee to hold office they are non-binding. On the one occasion when the Assembly has recommended that the Mayor

not proceed with an appointment³ and on other occasions when it has raised specific concerns about a nominee's ability to fully perform the role, those recommendations have been rejected.

The Police Reform and Social Responsibility Act 2011 gave the Assembly Police and Crime Committee the power to confirm the appointment of the Deputy Mayor for Policing and Crime. Where the appointee is not an Assembly Member, and therefore does not have a mandate from a GLA election, the Committee may reject the appointment subject to a two-thirds majority. The Assembly believes this power of rejection should apply to all confirmation hearings.

2.3 Consultation

The 2007 Act required the Mayor to reply to the Assembly's response to consultations about statutory strategies, setting out which comments the Mayor accepted and the reasons for rejecting any comments. This process had to be completed before the Mayor could carry out the wider statutory consultation required by the GLA Act (1999).

This requirement has been superseded by provisions in the Localism Act 2011. The Mayor is no longer required to carry out a two phase consultation about statutory strategies, first with the Assembly and functional bodies and then with the wider public. The Assembly unanimously supported this change as it also provided for the Assembly to veto a mayoral strategy, subject to a two-thirds majority.

2.4 Conclusion

The GLA Act 2007 provided the Assembly with some limited additional tools to hold the Mayor to account but did not give it budgetary independence. In section 6 the Assembly makes further proposals which it believes would strengthen accountability at City Hall.

3. EXAMINATION OF THE IMPACT OF THE 2007 ACT

3.1 Increased planning powers

One aim of the Act was to facilitate improved strategic planning in London—but given the limited number of instances of mayoral call-in it is difficult to assess its direct benefits. The prospect of mayoral call-in will have had an impact on applications for large scale development beyond those which have seen direct mayoral intervention at the approval stage. Developers regularly seek guidance from the GLA planning team to shape their proposals in accordance with the London Plan.

The Act allows the Mayor to base a decision to call-in an application on a borough's past performance in meeting strategic planning targets that are set out in the London Plan—for example housing, employment and transport provision. The Mayor has rarely made these criteria explicit. Should the Mayor do so in future this may allow an assessment of whether the powers have contributed to improved strategic planning in London.

3.2 Impact on section 106 and Community Infrastructure Levy contributions

Judging the impact of the 2007 Act changes to section 106 is complicated by the introduction of the Mayor's Community Infrastructure Levy (CIL) in April 2012. The CIL is designed to raise a £300 million contribution towards Crossrail. The Mayor is now formalising his policy in this respect through a draft Supplementary Planning Guidance on the use of planning obligations (November 2012).

An analysis of the five applications decided by the Mayor to date does suggest that on occasion mayoral planning priorities have received greater funding through section 106/CIL contributions at the expense of borough priorities:

- Hertsmere House—the original agreement negotiated by Tower Hamlets may have resulted in funding for local transport improvements to the DLR (upgrading two local stations)—whereas the Mayor accepted a £4 million contribution to Crossrail.
- Saatchi Block—Camden appears to have favoured a greater affordable housing contribution in the original section 106 negotiations—whereas the Mayor decided Crossrail was a priority due to the proximity of Tottenham Court Road station. An increased Crossrail contribution seems to have reduced the number of social rented units.

3.3 London Waste and Recycling Board

The Assembly does not view LWRB as creating a further layer of bureaucracy but rather as a relatively low-cost organisation that has started to catalyse commercial investment in waste infrastructure which London has sorely needed. It has successfully forged a strong working partnership between the Mayor, the boroughs and commercial partners which, for example, is helping to deliver London's first anaerobic digestion plants.

³ Confirmation Hearings Committee, 23 May 2012. The Committee recommended the Mayor not proceed with the appointment of Councillor Daniel Moylan as Chair of the London Docklands Development Corporation, a post in which Councillor Moylan served for four months before being replaced.

3.4 Statutory strategies

The Mayor does not need specific powers for a strategy to be valuable. The specific powers the Mayor does have, and the Mayor's general powers, are often enough to have an impact, if the resources and political will are put behind a strategy. The requirement for strategies to be consistent also allows the strategies that do not come with specific implementation powers to influence those that do.

The experience of the Assembly is that the obligation to produce strategies improves both the quality and accessibility of mayoral policy. The strategies go some way towards setting overall and long-term goals and showing how these will be achieved, and with what resources. The input of the Assembly and others to the drafting and revision process has further improved the quality of the strategies, and particularly the clarity of expected impacts, implementation plans and monitoring mechanisms. Enhancements to the evidence base and policy drivers have also been secured, such as establishing the public health impact of air pollution in London as a driver of mayoral policy.

The Mayor's strategies and the work based around and driven by them, have certainly influenced both central government and the boroughs in areas that the Assembly has examined such as energy efficiency, energy supply policy, waste management and flood risk management. However, a call for action in a mayoral strategy is not by itself sufficient to influence reluctant partners, and the strategies still hold unfulfilled aspirations for central and local action.

4. THE POWERS AND OPERATION OF THE LONDON ASSEMBLY

The Assembly recognises that like any organisation it can always find ways to improve its effectiveness and operational efficiency. As a relatively young institution the Assembly continues to develop its ways of working applying the benefit of each year's experience.

The Assembly's role is constrained to post-decision scrutiny of mayoral actions, the opportunity to make recommendations for policy changes but not to enact them, and the power to undertake wide ranging investigations into important issues relevant to mayoral statutory functions and Londoners. The GLA Act 1999, GLA Act 2007, Localism Act 2011 and Police Reform and Social Responsibility Act 2011 are all framed in support of a powerful executive with an Assembly that may challenge, but for the most part not stop, mayoral actions.

Within the confines of the legislation the Assembly uses its powers to highlight gaps or failings in mayoral policies and their delivery, and to make proactive recommendations to improve the quality of life in London. For example concessionary public transport fares for the unemployed were introduced at the suggestion of an Assembly Member, while the London Plan now gives War Memorials recognised status and protection as a result of recommendations made by the Assembly to the Mayor⁴.

Assembly Committees publicly question the leaders and senior officers of organisations delivering services to London, including GLA functional bodies. They challenge custom and practice and adopt a user's eye view to judge the effectiveness of services and how they can best be improved for the benefit of all. For example the Assembly report on passengers' experiences on London Underground prompted TfL to adopt new approaches to tube closures for upgrade and maintenance work resulting in less disruption to passengers.⁵

Committee reports and recommendations will be directed not only to the GLA group, the Assembly's statutory function, but also to any organisation that has the ability to improve or undermine the quality of life in London. It was work by the Assembly that persuaded the Civil Aviation Authority to establish the monitoring of helicopter movements over London and a reporting system for complaints about excessive helicopter noise,⁶ while national planning regulations changed as a result of an Assembly investigation into the impact on flooding risk caused by the paving over of front gardens with non-porous materials.⁷

5. HOLDING THE MAYOR TO ACCOUNT

The Mayor of London is not subject to the same accountability arrangements that exist for directly elected mayors in local government. Some provisions of the GLA Act require greater accountability, some less. Executive decisions are not subject to call-in and budgets may not be amended or rejected by simple majority—but the Mayor is required to answer publicly to the Assembly for those decisions.

The Mayor holds all executive power and the Assembly's ability to override decisions is limited to amending budgets and, as of 2012, rejecting statutory strategies. These powers both require a two-thirds majority vote, the same threshold required to amend the United States Constitution or for Congress to override a Presidential veto.

The most visible accountability tool at City Hall is Mayor's Question Time (MQT). In contrast to local government mayoral models, the Mayor of London is required to appear in public before the scrutiny body ten times a year to answer for decisions made and their outcome. Prior to MQT the Mayor must provide a written

⁴ Not forgotten—A review of London's war memorials

⁵ Too close for comfort: Passenger experiences on the London Underground

⁶ London in a spin—A review of helicopter noise

⁷ Crazy Paving: The environmental importance of London's front gardens

report to the Assembly about their recent decisions and activities, and Assembly Members may submit questions for written answer within a legally specified time limit.

These provisions ensure that mayoral actions are publicly reported and challenged with Assembly Members setting the agenda by their choice of subjects for questioning. MPs will be familiar with the importance of written questions as a means of extracting information from an administration, as well as oral questions.

Mayoral administrations, including the activities of GLA functional bodies, are also held to account through Assembly committees' examination of the development and implementation of statutory strategies and their pro-active investigations into relevant issues of importance to London. For example uncovering systemic weaknesses in the emergency response to the 7 July 2005 London bombings and ensuring action was taken by the GLA group and others to address those weaknesses.⁸ The Assembly's investigation into the administration of Visit London led to an acknowledgement of errors made, restitution to creditors and funds to secure pension liabilities.⁹

Being at the heart of City Hall the Assembly is able to act swiftly when issues of concern arise. For example, within a month of London Buses being completely withdrawn from service for the first time, because of snow in 2009, an Assembly report revealed the reasons for the breakdown of the transport system and recommended viable solutions which have subsequently been successfully implemented.¹⁰ The Assembly is also able to influence governance procedures and challenge failures such as those it uncovered in expense claim processes at City Hall following fraudulent claims by a mayoral adviser. This resulted in real time detailed publication of all claims by the Mayor, his advisers, senior GLA staff and Assembly Members.¹¹

Often the work of individual Assembly Members, committee investigations and plenary sessions of the Assembly complement each other in holding the mayoral administration as a whole to account. For example when the Assembly exposed consistently poor management processes at the London Development Agency, in particular in relation to projects supported by the Mayor's office,¹² and the application of constant pressure on TfL to improve services for Londoners with mobility problems.¹³

6. STRENGTHENING THE ASSEMBLY'S ROLE AND RESPONSIBILITIES

Given that Parliament has three times given its support to the basic tenets of the strong executive mayor model operating at City Hall through legislation in 1999, 2007 and 2011, the Assembly does not seek to undermine the Mayor's ability to exercise the authority they have been given.

However, the Assembly is unanimous in its support for the following provisions which it believes would strengthen accountability at City Hall and provide better outcomes from the policy and operational decisions made by the mayoralty and for Londoners.

6.1 *The Mayor should be required to publish a forward plan of key decisions which would be subject to Assembly call-in*

This proposal would bring the GLA into line with the arrangements to ensure that elected mayors in local authorities are transparent and accountable. The Mayor of London is the only elected mayor who is not required to publish a forward plan and whose decisions are not subject to call-in by the scrutiny body. This anomaly should be addressed.

Having a powerful directly elected individual as Mayor of London has been a success but there has been a lack of openness and transparency as decisions relating to significant expenditure are taken in private and not announced until after the decision has been taken. No papers have to be published in advance and no deliberations take place in public; the Mayor's decisions can only be reviewed after they have been taken and finally published.

The decision making process would be enhanced if more information were in the public arena before a decision was made and the Assembly had the opportunity to influence the Mayor's key decisions before they take effect. It would expose significant decisions to a range of views and questions, resulting in a more transparent and accountable decision-making process. It would contribute to maintaining public trust and confidence in mayoral decision-making as well as the quality and effectiveness of those decisions.

The proposal would also place an onus on the Assembly to identify and challenge potentially poor decisions before they take place, rather than only challenging decisions after they have demonstrably failed to effectively and efficiently achieve their goals.

⁸ Report of the 7 July Review Committee

⁹ The Administration of Visit London

¹⁰ Slipping up? The impact of extreme weather on London Transport

¹¹ Expenses and the use of corporate credit cards by mayoral appointees.

¹² London Development Agency Grants

¹³ Response to TfL's accessibility proposals, Accessibility of the transport network in London, Door-to-door transport services

6.2 The Assembly's powers to summons people and information should be extended to cover all individuals and organisations within the GLA group and relevant external bodies

The Assembly's powers to summons people and information are restricted to prescribed categories of people and organisations within the GLA group or those with a formal contractual relationship with the GLA to talk about that contractual relationship. Such tight prescription is no longer suited to the nature of the Mayor's role or the complex structures of London government and governance. It is also inconsistent with developments in local government scrutiny, whereby the powers of local authority overview and scrutiny committees have been expanded to require partner organisations and those involved in health and crime and disorder to cooperate, provide information and respond to recommendations.

The Assembly's ability to scrutinise the Mayor and investigate relevant issues of importance would be strengthened if its summoning powers covered all pertinent individuals within the GLA group, including the Mayor, and London-wide bodies that are appointed or formally influenced by the Mayor or have a significant role to play in achieving the Mayor's strategies. This would strengthen the Assembly's role by making sure that it has timely and unfettered access to the appropriate people and information.

The external bodies covered by this change would include those that have a significant role to play in delivering the Mayor's strategies, in providing London wide services, and in the governance of London.

For example:

- The London Ambulance Service has no direct accountability to Londoners. The Assembly believes that this represents a democratic deficit that would be most appropriately filled by the Assembly, given its strategic London-wide role.
- The Environment Agency holds information that is directly relevant to the Mayor's environmental strategy and responsibilities, and carries out activities in support of the strategies, the Assembly should have the right to access that information.
- Utility companies provide universally required services to Londoners and should be answerable for their standards of delivery
- English Heritage exercises considerable authority over planning and the protection of London's build environment and should be accountable for its decisions in respect of London.

6.3 Power to require senior officers from the Metropolitan Police Service to provide information and attend meetings of the Police and Crime Committee

The Police Reform and Social Responsibility Act 2011 provided the Police and Crime Committee with the power to require the Mayor's Office for Police and Crime (MOPAC) to provide information and attend meetings. In order to hold the MOPAC to account for the implementation of the Mayor's policies and commitments, the Police and Crime Committee requires information held by the Metropolitan Police Service (MPS).

For example, if a Mayor had identified neighbourhood policing as a priority, the Police and Crime Committee would require information about the allocation of resources within the MPS and its performance in order to inform its assessment of the Mayor's policies, actions and decisions. Similarly, the Committee will require input from senior officers from the MPS at its meetings in order to inform its deliberations.

The Police and Crime Committee should have the power to require senior officers of the MPS to provide information and attend its meetings.

6.4 Power to reject the draft Police and Crime Plan

It is important that the role and remit of the Police and Crime Committee is consistent with the Assembly's relationship with the Mayor as set out in the GLA Act 1999 (as amended by the GLA Act 2007) and the provisions of the Localism Act 2011 which gave the Assembly a new power to reject mayoral strategies by a two-thirds majority vote.

The Police Reform and Social Responsibility Act 2011 applies some of the requirements of the GLA Act 1999 relating to mayoral strategies to the Police and Crime Plan, but it does not have the effect of applying the Assembly's new power to reject mayoral strategies by a two-thirds majority vote. During the passage of the Act the proposal to introduce this new power was supported by the Mayor, the Assembly and London Councils,¹⁴ and there is no substantive difference between the Police and Crime Plan and other mayoral strategies that justify it being excluded from these arrangements.

Whilst such provisions would be different to those outside London, this would not be unique in the Act. For example, the power for Police and Crime Panels outside London to suspend police and crime commissioners, whereas the London Assembly Police and Crime Committee does not have such a power, recognising that the elected Mayor is the occupant of the office.

¹⁴ <http://www.london.gov.uk/who-runs-london/the-london-assembly/publications/general/devolution>

The Act provides that none of the functions of the Police and Crime Committee may be carried out by the Assembly or any of its other committees. The Assembly proposes that if a power to reject the draft Police and Crime Plan is introduced, this specific power should be exercisable by the full Assembly. This would provide consistency with the provisions of the Localism Act 2011 in relation to other mayoral strategies.

6.5 The Assembly's powers to amend the Mayor's budget proposals should be extended to include capital expenditure, prudential borrowing limits and grants and transfers within the GLA group

Until 2012 the Assembly's only formal power to amend or reject mayoral proposals was its power to amend the Mayor's proposed budget by a two-thirds majority vote.

Although the Assembly has not amended a mayoral budget using this power, the fact that the potential exists for it to do so has meant that mayors have been obliged to take notice of the Assembly's proposals. As a result, mayoral budgets have been more efficient and effective. In the first ten years, the Assembly's responses to mayoral budget proposals resulted in budget savings of £180 million.

The Mayor's draft budget for 2013–14 proposes capital expenditure of £5.6 billion; this has increased significantly as a result of the Localism Act 2011 bringing London's housing budget into the GLA. There is also significant capital expenditure within the GLA budget in support of Crossrail.

The Assembly is consulted on capital expenditure and prudential borrowing limits but has no sanctions to apply in the event of a Mayor taking irresponsible or unsupportable decisions. This is a potential significant weakness in the checks and balances on the Mayor, and should be rectified.

7. BUDGET AMENDMENTS AND THE REJECTION OF STRATEGIES

Since the provisions of the Localism Act 2011 came into force there has not been an opportunity to vote on the acceptance or rejection of a mayoral strategy as none have been issued.

While the Assembly has had many votes on amending the Mayor's budget no amendment has yet been successful at the final stage of the budget. The two-thirds majority needed to agree on an amendment and the proportional nature of Assembly elections makes the threshold required for a successful amendment very high.

Proponents of the strong Mayor model operating in London argue that such a high hurdle enables the Mayor to exercise their executive mandate without undue restraint from an alternative source of democratic power, while ensuring that there is a provision for militating against an overreaching of that executive mandate in the face of significant cross-party opposition.

The absence of a successful amendment to mayoral budgets does not mean the power to do so is either unnecessary or ineffective. When putting together a budget now, or a strategy in the future, mayoral administrations do so in the knowledge that the Assembly may exercise its amending or blocking function if measures brought forward attract significant cross-party opposition and will cut their cloth accordingly. During Mayor Livingstone's second term of office he agreed to a number of provisions sought by the Green Group on the Assembly to ensure their support for his budget.

In the absence of any mechanism between elections to remove a mayor who is abusing their power it is important that some democratic safeguards exist to allow the Assembly to militate against any extreme decision such a mayor may make.

8. BOARD APPOINTMENTS

The 2007 Act removed the restriction on political office holders being members of the board of Transport for London (TfL) but to date no Assembly Member has been appointed to the board.

The London Fire and Emergency Planning Authority (LFEPA) is a separately constituted local authority comprised of 17 members. The 2007 Act amended the composition of LFEPA to include two members of the Authority to be appointed directly by the Mayor and established the mayoral power to issue directions to LFEPA.

The current composition is:

- Eight Assembly Members appointed according to political proportionality;
- Seven borough representatives appointed according to political proportionality; and
- Two mayoral appointees.

The majority of the Assembly¹⁵ believes that any boards within the GLA group should include democratically elected representatives who can both fulfil governance functions and represent the views of the electorate in the decision-making process. This strengthens the line of accountability between the boards and the electorate.

¹⁵ The Conservative Group of nine Assembly Members believes LFEPA should be reformed to more closely resemble the Mayor's Office for Policing and Crime and TfL governance models. This would achieve consistency across the GLA group.

There is no overriding conflict of interest which prevents Assembly Members fulfilling their decision making responsibilities on LFEPA and their scrutiny function in the Assembly. Decisions made by LFEPA, and by TfL, are restricted by the Mayor's power to direct decisions and set its budget. LFEPA members are required to act within those boundaries, as Assembly Members they are free to challenge the confines placed upon LFEPA by the Mayor. On 30 January 2013 the Mayor issued just such a direction to LFEPA directing it to adopt a draft London Safety Plan provisions of which it had previously rejected.¹⁶

9. ADVICE TO THE MAYOR SHOULD NOT BE AUTOMATICALLY EXEMPT FROM THE ASSEMBLY'S SUMMONSING POWER

Where the Assembly has the power to require the attendance of witnesses and production of documents this is limited by s61(10) and s61 (11) of the GLA Act 1999 to exclude advice given to the Mayor by GLA staff appointed by the Mayor or by board or staff members of a functional body.

The majority of the Assembly¹⁷ propose that advice to the Mayor should be withheld on an exceptional basis, for example on the basis of commercial confidentiality, not as a rule. This would improve the transparency of the reasons for mayoral decision making.

10. THE THRESHOLD FOR ASSEMBLY INTERVENTION

The GLA Act 1999 established the threshold for direct Assembly intervention in mayoral decision at a two-thirds majority of the Assembly Members voting. This is the same threshold required for Congress to propose an amendment to the United States Constitution or to override a Presidential veto.

The majority of the Assembly¹⁸ propose that the threshold be reduced to 60% of Assembly Members present and voting to pass a budget amendment, reject a statutory strategy or reject a specified mayoral appointment. Given the nature of the dual voting system used to elect the Assembly, the 60% threshold would mean the support of at least two party groups would be needed to use these powers.

11. CONCLUSION

Within the concept of the strong mayor model the Assembly has provided a plurality of voices as policy is developed and power exercised within the GLA. It has improved policy, strengthened governance and measured performance against promises. Refining the Assembly's formal powers would reinforce its positive role in London government.

February 2013

Written submission from the Association of Colleges London Region (GLA 05)

AoC London Region's Submission to the Communities and Local Government Select Committee Consultation on the Greater London Authority Act 2007.

1. AoC'S ROLE

The Association of Colleges (AoC) represents and promotes the 341 Colleges in England incorporated under the Further and Higher Education Act 1992, including 94 Sixth Form Colleges and 247 Further Education Colleges. Colleges educate 853,000 people aged 16 to 18, almost twice as many as school sixth forms.^{19,20} This includes 185,000 young people taking A-levels.²¹ Colleges also train over one quarter of the total 240,000 apprentices aged 16–18.²² In addition, they have a growing role in the education of those of compulsory school age, including 55,000 14 to 15 year olds taking part-time courses and 3,000 studying full-time²³. 45 Colleges are either lead sponsors or co-sponsors of academies.²⁴ Colleges account for 33% of entrants to higher education.²⁵

1.1 AoC London/London Colleges Key facts

London's 49 Further Education, Sixth Form and specialist Colleges educate and train around 400,000 young people and adults every year. They employ 26,000 people and have a collective turnover of £1.1 billion.

¹⁶ MD1140 Mayoral Direction to LFEPA

¹⁷ The Conservative Group of nine Assembly Members believe that the call-in power proposed in 6.1 is sufficient to improve the transparency of decision making and do not support this proposal.

¹⁸ The Conservative Group of nine Assembly Members propose that the threshold for Assembly intervention should be a simple majority provided all 25 Assembly Members are elected by single member geographical constituencies.

¹⁹ AoC analysis of Individualised Learner Record, 2010–11—learner responsive dataset

²⁰ DfE Statistical First Release 16–18 Participation in England, June 2012

²¹ AoC analysis of Individualised Learner Record, 2010–11—learner responsive dataset

²² AoC analysis of Individualised Learner Record, 2010–11—employer responsive dataset

²³ AoC analysis of Individualised Learner Record, 2010–11—learner responsive dataset

²⁴ DfE list of open Academies and those in development at July 2012

²⁵ UCAS data on applications and acceptances for 2011 entry in England.

London Colleges are at the heart of providing the skills and qualifications—from A levels and apprenticeships to degrees and higher levels skills—London employers and citizens need to continue to make their mark.

AoC London supports London Colleges in delivering maximum social and economic benefit for people, business and communities, and contributes to the region's social and economic agenda. In 2012 AoC London published “London’s Learning: A Manifesto for the Mayor from the Capital’s Colleges”, “London Colleges: What you need to know”, and its recent pamphlet “London Colleges Policy and Priorities”. All of these documents can be found on the regional page of the AoC website (www.aoc.co.uk).

2. CONTEXT

2.1 National Policy

The education and skills landscape has seen some significant changes in recent years. In 2010 the Government published its skills strategy, *Skills for Sustainable Growth*, which set out a freer, user-focused further education system which could make a major contribution to economic recovery. The aim of the Coalition Government has been to move away from central targets, and to free up the system giving Colleges greater flexibility and discretion to determine priorities in response to local need. There has been a concomitant shift from central grant funding to the empowerment of employers and individuals for example, through Employer Ownership Pilots and 24+ Advanced Learning Loans (greater “personalisation”).

In November 2012 the Government consulted on Chartered Status for FE institutions.²⁶ This is part of the agenda for meeting local need by deregulating and allowing the FE sector to determine the right offer for their local communities. The consultation period is now closed and responses are currently being considered by Government. In principle, AoC supports the proposal for Chartered Status for FE Colleges because it allows them to demonstrate their responsiveness to local communities as well as offering legal protection for the title “chartered college”.

2.2 London Colleges Key Policy Priorities

In the context of London’s needs and the significant role of London Colleges in meeting these needs, AoC London has recently published London Colleges’ five top policy priorities (December 2012):

- Promoting Young people’s Participation and Engagement;
- Delivering the Skills London Employers Need;
- Reducing Adult Unemployment;
- Maximising Apprenticeship opportunities in London;
- Ensuring Social Cohesion and adding value.

London Colleges aim to develop the skills of the London workforce at all levels and support those who are unemployed to meet the demands of the London labour market. London Colleges have been demonstrably responsive to addressing London’s priorities for example, with growth of Apprenticeships, employability programmes, basic skills, higher level skills, and accessing ESF funding.

2.3 Local partnerships

To deliver the skills that meet the needs of their local areas Colleges work in close and dynamic partnership with local stakeholders. This includes local employers with their knowledge of skills they need and will require, the London boroughs with their extensive knowledge and connectivity to inform the skills agenda, and Job Centre Plus in terms of getting people into and back into sustainable work in their localities.

2.4 London Skills and Employment Board (LSEB) 2007–10

London Colleges were represented on the LSEB at Principal/CEO level. The LSEB was responsible for delivering a long-term strategy for adult skills and employment in London. The Board was charged with providing leadership in improving adult skills and employment in London. The LSEB was employer-led and chaired by the Mayor of London. Its purpose incorporated strategic direction of the Learning and Skills Council’s (LSC) adult skills budget and sought to influence the spending and priorities of other key agencies such as Jobcentre Plus, the London Development Agency (LDA) and the Higher Education Funding Council for England (HEFCE).

Its terms of reference were to formulate and publish a strategy and annual plan for adult (post 19) skills training and employment in London; regularly review the strategy; produce an annual report setting out progress on implementation; contribute to the allocation of European Social Fund monies in London; and make recommendations to the Mayor, Secretary of State, the LSC, LDA and other relevant bodies and organisations on issues related to its responsibilities.

²⁶ Source: BIS <https://www.gov.uk>.

The LSEB evidence base “The London Story”, and its strategies “London’s Future: The Skills and Employment Strategy for London 2008–13”, and “From Recession to Recovery: The Skills and Employment Strategy for London (2009–14)” published in December 2009, identified a number of the key economic and social/issues/challenges for London.

However, the LSEB was stood down shortly afterwards in 2010. Whilst this makes it more difficult to evaluate its legacy and impact, the work of the LSEB will have helped inform the transition and work of the new body, the London Enterprise Panel established in 2011.

2.5 London Enterprise Panel

London Colleges work to support the goals of the London Enterprise Panel (LEP). The LEP has key purposes which centre on providing strategic investment to support private sector growth and employment; promoting enterprise and innovation and the acquisition of skills for sustained employment in London; and protecting and enhancing London’s competitiveness.

As a result of London’s unique governance arrangements, the London Enterprise Panel has an advisory role, and does not deliver of services.

A key component of the LEP is the Skills and Employment Working Group. The Chair of AoC London, the Principal of Hackney Community College, is a member of the Group.

The LEP Skills and Employment Working Group have been tasked by the Mayor to develop a vision for employment and skills in the capital and the group is expected to publish its statement later this year.

2.6 London Assembly and the Greater London Authority (GLA)

London Colleges have an ongoing working relationship with the GLA through a number of mechanisms. This includes regular liaison with the Deputy Mayors for both Education, and Business and Enterprise together with senior officials. This provides a valued and productive link with the Mayor’s office and the London Assembly. AoC London welcomes the Mayor’s contribution towards Apprenticeships across the capital and his commitment to working with London’s businesses to help boost employment by offering apprenticeships to either new or existing employees.

3. LOOKING FORWARD

AoC London wholeheartedly agrees that growth is rightly at the heart of London’s regional and local strategies. London Colleges recognise and value their prominent role in developing both regional and local skills strategies.

Further Education Colleges are independent, autonomous, self governing organisations with a range of stakeholders and accountabilities. Government has been committed to freeing Colleges from central government control, steering accountability outwards to the College’s local communities, learners and employers.

College Governors have a collective responsibility for developing a responsive and diverse sector, working with employers, schools, academies, independent training organisations, universities, local authorities and the voluntary sector. Colleges play a crucial role in responding to the current, future and changing needs and demands of a dynamic economy and society, contributing to the work of the LEP in driving local economic growth, and working with the local community leaders and the business sector.

In this context we emphasise the criticality of local decision-making, collaborative working and ensuring maximum resources go to the frontline.

Systems which give considerable autonomy to the local unit have tended to be more successful, as have governance regimes which recognise local stakeholder involvement.²⁷

The formation of creative partnerships is seen as key to realising London’s ambitions. Breaking down the barriers to creative partnership working, new models of engagement and collaboration can be a shared, common purpose.

The flexibility to respond to changing patterns of demand, and needs, of London’s communities and businesses is crucial. There is a real risk that any added layers of bureaucracy, or further compartmentalisation of resources could hinder responsiveness, effective and efficient deployment of resources and potentially divert resources away from front line delivery.

London Colleges recognise:

- The benefit of learning from the practice and successes of the first round of City Deals where LEPs and local authorities are working together to stimulate local economies;

²⁷ Reference: Dynamic Nucleus: Colleges at the heart of local communities

- The London Enterprise Panel and Skills and Employment Working Group is consulting with all relevant local partners including the Chamber of Commerce, London First, Local Authorities, employers and Colleges on their developing strategy;
- LEPs have been charged with a leadership role to steer strategic direction, and should not be impeded by having to take on bureaucratic burdens;
- Again, the crucial importance of partnership working across the London to deliver sustainable economic growth and social inclusion.

London Colleges are therefore committed to:

- Furthering improvement to joint working between employers and Colleges, universities and training providers to ensure London has the skills it requires in the decades to come;
- Practically helping business to increase investment in skills and getting people back into work to boost productivity and growth for London;
- Lobbying for better informed career choices through an independent information, advice and guidance service in London;
- Building a sustainable collaborative model of engagement to deliver skills, employability and growth in London;
- An effective strategic relationship and joint working between the LEP and Colleges' boards;
- Playing a leading role with the London Enterprise Panel and partners by developing a rolling annual London Statement of Skills Priorities;
- Facilitating an economic and social impact assessment of the total impact of FE in London;

We recommend:

A joint London Skills and Employment “Compact” delivered through nominated representatives of London Colleges, the Mayor’s Office, the GLA, the LEP, London Councils, Job Centre Plus and London First. The Compact can support the LEP and the Skills and Employment Working Group by securing greater leverage in:

- Strategic co-ordination (for example through clear skills representation, building the business and economic case for skills, regional skills networking to share intelligence on priority sectors for London, the “London Skills Priority Statement”);
- Leading Policy Change (for example through the joint development of a joint “compact” policy position, making joined up government work at local level);
- Employer Engagement (for example by building an integrated skills and employment offer which is easier for individuals and employers to navigate—improving connectivity of the system, and involving employers in co-design of the skills training offer);
- Employability (for example, by developing an integrated “London Works” framework).

February 2013

**Written submission from Emeritus Professor George Jones and Emeritus Professor John Stewart
(GLA 06)**

1. Our evidence focuses on the relationship between the Mayor and the Assembly. It is fundamentally flawed, since the structure laid down in the Government of London Act 1999 and reinforced in the Greater London Authority Act 2007 gives the Assembly few significant powers. There is an imbalance in the powers of the Mayor and the Assembly. The Select Committee has pointed out in its request for evidence that one of the objectives of the 2007 Act was to strengthen the Assembly, but in practice it did nothing significant to achieve that aim because it made no significant change in the relationship between Mayor and Assembly.

2. Our starting point is that the Greater London Authority has two separate elected institutions—Mayor and Assembly. Each has its own elected authority which requires a balance of power between them in the working of the Authority.

3. The powers given to the Mayor in relation to the powers of the Assembly represent an undue concentration of power in the hands of the Mayor, making the Mayor virtually unaccountable within the four-year period of office. There are no adequate means of accountability of the Mayor to the Assembly, or to the electorate, apart from the four-yearly election. A vote of no confidence by the Assembly in the Mayor could and would be ignored. The electorate have no powers of recall even if there were widespread disapproval of the Mayor’s policies and decisions.

4. The concentration of powers in a single individual as Mayor has been unique in our system of government, although it has recently been extended through the election of police and crime commissioners. It is a development in our system of government whose implications require review. One of these implications is the lack of means of accountability.

EXPERIENCE ABROAD

5. It should not be assumed that directly-elected mayors in other countries have equivalent powers to those of the London Mayor. There is great variation in those powers in other countries. Where directly-elected mayors have executive powers, they often do not have the concentration of powers that applies in London. Directly-elected mayors may not even have executive powers, as has been the case in New Zealand. Nor are mayors with executive powers necessarily directly-elected, though they are often described as directly-elected in discussions about elected mayors in the UK. In France and Spain the executive mayor is appointed by the council, and in the Netherlands by the government or formally by the Queen.

6. In the UK there has been a focus on the mayor's role and powers and relative neglect of the role and powers of the council. To understand the balance between them the powers of the mayor and of the council have to be analysed together. In an INLOGOV [University of Birmingham Institute of Local Government Studies] study *Executive Mayors for Britain?* (1996), it was argued that veto powers over council decisions were "a feature found not in European models" [page 28]. In Germany for example it concluded: "While the balance in the relationship between the burgermeister [the German equivalent of mayor] and the council varies, the council retains important functions—approving the budget and the accompanying policy framework, developing policy proposals, agreeing executive action and undertaking scrutiny. The appearances are of a system, which for all its variations, rests heavily on discussion and negotiation between burgermeister and council..." [page 28].

7. In the much quoted United States, *The Municipal Yearbook 1998* published by ICMA (The International City/County Management Association) showed that mayors had veto powers in only 28.1% of all municipalities, and the percentage was declining. [page 36] Even where there were such powers they did not necessarily cover all council decisions on the budget and on policy as in London. Even in New York, where the mayor has veto powers over increases in the budget, he has no vetoes over decreases. Policy is often given expression in council legislation which can be vetoed by the mayor but he cannot impose his own legislation.

8. Much discussion of US political structures has ignored the role of the council in mayoral authorities. Its importance can be shown in authorities of 250,000 plus where the majority of councils meet at least weekly, and where 69% meet fortnightly, because of their functions and the procedures that have been developed to consider budgets and legislation. They can encompass First and Second Readings, public hearings and Committee stages, showing the importance given to the council's role.

9. The need for accountability has led many countries to accompany directly-elected mayors with at least some means by which the mayor can be removed from office and forced to stand for election again. There can be provision for recall by a petition signed by a specified number of councillors or a specified percentage of electors. In other countries it can be achieved by a vote of no confidence by the council, normally by a special majority. In both instances provisions are set at levels to discourage their use except in serious circumstances, but their existence has an impact on the mayor even when in practice they are not used. They act as a deterrent on the mayor going beyond what is acceptable to the council and citizens.

10. The other approach to provide a counter balance to the powers of the mayor is to make the budget and/or policies subject to decision by the council. In many American authorities there is provision for legislation to be adopted by the council which can embody the council's policies and involve procedures for two readings and a committee stage or a series of public hearings. Similar procedures are adopted for the budget. There may be provision for mayoral vetoes, but in New York the mayor cannot impose legislation, which can give expression to policy, and has no veto on reductions in the budget voted by the council. Although provisions vary from state to state and from local authority to local authority in the United States and in other countries, in most countries the need for mayoral accountability has been accepted and appropriate provisions have been adopted.

CONFLICTING MANDATES

11. It is often argued that the Mayor has a unique mandate from the electorate of London and must have the right to impose his views even when opposed by the Assembly, but the Assembly has its own mandate since its members have collectively been elected by the whole of London. While the Mayor represents one view, the Assembly is representative of a much wider range of views. Its representativeness is enhanced by the electoral system that is in part based on proportional representation. The present structure in London virtually ignores the Assembly's mandate by giving precedence to the Mayor's views.

12. The London Assembly has no power in practice to determine the budget or the policies of the authority, or to call in for discussion executive decisions, as can be done in British local authorities without elected mayors, making the Assembly weak and ineffective. The Assembly has in effect only the power to overturn the Mayor's budget by passing its own alternative budget and amend his strategies with a two-thirds majority. This hurdle is too high. The powers of the authority are concentrated in the Mayor with no means of accountability until the next election. The CLG Committee's review of the government of the GLA should provide greater power for the Assembly.

POSSIBLE CHANGES

13. The requirement of a two-thirds majority for the Assembly to overrule the Mayor is difficult to defend. It should be reduced or removed. There have been other examples in recent legislation to introduce special majorities which act as a constraint on elected assemblies, and that has been a two-thirds majority. It is not clear on what basis two-thirds is adopted for special majorities. There is no clear rationale for that particular figure. Whereas a simple majority has its own logic, a two-thirds majority requires a justification that is not readily available. Above all it means that a minority view always wins.

14. The experience of the GLA shows the defects of the present provisions for a two-thirds majority.

The results of the four GLA elections are set out below:

	2000	2004	2008	2012
<i>Mayor</i>				
<i>Mayor's party</i>	<i>Ind</i>	<i>Lab</i>	<i>Con</i>	<i>Con</i>
Assembly numbers				
Conservative	9	9	11	9
Labour	9	7	8	12
Lib Dem	4	5	3	2
Green	3	2	2	2
UKIP	0	2	0	0
BNP	0	0	1	0
Mayor's Party	0	7	11	9
Other parties	25	18	14	16

A two-thirds majority requires 17 votes since the Assembly has 25 members and two-thirds of 25 is 16.67.

15. In 2008 and 2012 a two-thirds majority could not be achieved as long as the Mayor had the full support of his party. In 2004 the other parties could achieve a two-thirds majority, but only if the four parties involved could reach agreement to vote against the Mayor's budget and for a specified alternative, including, for example both the party and UKIP members. In 2000 the position was unique with the election of an Independent Mayor and unlikely to occur again, and a two-thirds majority could possibly have been attained, although that possibility lasted only until Livingstone was accepted back in the Labour Party, and the other parties could reach only 16 votes.

16. While a two-thirds majority is theoretically possible, this analysis suggests it is unlikely to be achieved except in very exceptional circumstances.

17. In the Greater London Authority a judgment about the size of a majority must be considered in the context of the need for a balance of power. A balance of power that makes one institution powerless cannot be defended. Both Mayor and Assembly should have significant powers reflecting their elected authority.

18. We recommend that the CLG Select Committee should consider three options for replacing the two-thirds provisions:

- giving the Assembly the right to determine the budget and policy framework without any mayoral veto, but with the mayor retaining the initiative in putting forward proposals for the budget and strategies of the authority;
- specifying that the budget and policy framework require approval by both the Mayor and the Assembly as elected institutions; and
- retaining the Mayor's veto but with the percentage for over-ruling Assembly decisions reduced to 55% or 60%, but not so great as to reduce to insignificance the powers of the Assembly.

THE COMMITTEE'S QUESTIONS

19. Our answers to the questions posed by the Committee on "the powers and operation of the Assembly" are:

- 3A. The Assembly's powers and method of operation are far from effective.
- 3B. The solution lies in enhancing the powers of the Assembly on the determination of the budget and the strategies of the authority, as suggested above, and the adoption of procedures by the Assembly appropriate for those powers. The right of the public to hold the Mayor to account should be enhanced by the power of recall. At a minimum the Committee should call for a review by the Government of the provisions for the determination of the budget and strategies of the Greater London Authority.
- 3C. The Assembly does not have significant powers to influence the Mayor's decisions, and call-in powers should be introduced.

- 3D. The budget and strategies of the authority should be determined by the Assembly, removing or modifying the right of the Mayor to determine them unless secured by a two-thirds majority in the Assembly.
- 3E. There is a conflict of interest if members of the Assembly who are themselves chairs and members of the GLA's functional bodies carry out scrutiny of those bodies over which the Assembly is supposed to exercise scrutiny. They should be excluded from membership of any scrutiny committee or any scrutiny exercise on behalf of the Assembly.

20. The Assembly should review its procedures to determine both budgets and policies, considering the introduction of First and Second readings, Committee stages and/or public hearings, drawing on the experiences of Parliament and of the devolved assemblies.

February 2013

Written submission from the London Forum (GLA 07)

This is a response to the Committee's questions about the *outcome of the GLA Act 2007* by the London Forum of Amenity and Civic Societies, a charity established 25 years ago to network and support over 100 community groups in London.

1. The Government's memorandum indicates that most parts of the 2007 Act had little effect or are impossible to assess because further legislation has superseded the 2007 Act. The Committee would welcome comments on this assertion.

The increased powers of the Mayor to call-in planning applications and to establish a Mayoral Development Corporation (MDC) have not been clarified sufficiently by him in process terms. Communities are concerned that local authority planning decisions have been over-ruled by the Mayor without full justification.

The MDC puts the Mayor into the position of being both a developer and a planning authority operating development control. It is not clear what safeguards there are for communities and Councils in the Mayor granting himself planning permission.

There has been a major problem of excessive housing density in London. The London Plan states that all new housing developments should be within 5% of the density range for the site on which they are built. The actual figure is around 60%. Many such schemes have been approved by the Mayor's Planning Decisions Unit. They are not all developments of quality and many lack sufficient amenity space to meet the London Plan's other policies and guidance by the Mayor on children's play space. Density above policy levels results in overloading of local infrastructure and facilities.

The further legislation on planning by DCLG is not all suitable for London. For example the conversion of offices to dwellings and the extensions of homes, all without planning permission, are contrary to the Mayor's policies in the London Plan. Following the Localism Act, DCLG should not have tried to take away local decision making and should not dictate how development will be assessed. The elected Mayor of London had been given the right to develop a spatial development strategy for the capital. He should not have to change it to conform to new policies beyond those in the NPPF, particularly if they could damage the economic development of London.

2. In the Committee's view there are matters on which the legislation can be examined and it seeks views.

Q. What has been the effect of the increased planning powers conferred by the 2007 Act on the Mayor?

For example, where the Mayor declares himself to be the planning authority, he negotiates and receives the payments from section 106 agreements. One issue raised before the legislation was enacted was whether this money would be spent on infrastructure projects of interest to the Mayor, not on projects important to the local authority.

See comments above on the MDC.

The Mayor has operated a Community Infrastructure Levy (CIL) for funding Crossrail.

In the locations to which that commitment applies, the boroughs have had to collect the "Mayor's CIL" on his behalf. That has limited their ability to secure further borough CIL for infrastructure, as developers claim that it makes schemes unviable, which they have been encouraged to do by DCLG Ministers.

The Government has also recommended renegotiation of existing S.106 agreements and that has the potential to reduce contributions by developers to affordable housing in the capital.

It is not clear on what the Mayor spends any S.106 income received by the GLA.

Planning Minister Nick Boles announced on 10th January 2013 that the GLA Mayoral Development Corporation will be able to impose a CIL. It is not clear how the Mayor will "spend it in accordance with the wishes of the community", as Nick Boles indicated should happen.

Q. What benefits have been achieved through the establishment of the London Waste and Recycling Board? For example, has it improved efficiency, recycling rates, joint working or instead created further layers of bureaucracy? What hard and fast evidence is there of tangible improvements which would not otherwise have occurred?

The establishment of the London Waste and Recycling Board has allowed a strategic approach to be taken across London.

The identification of London-wide priorities, particularly in recycling and re-use, has seen an increase in diversion from Landfill and a significant increase in recycling rates.

The Board has leveraged funding into its programme which individual Boroughs would have struggled to do.

It has funded innovative projects, and has funded projects in important areas which Councils cannot do—for example targeting recycling from SMEs.

They also estimate the current efficiency programme of joint working between councils will deliver savings of over £4.6 million.

Five years is a short timescale in delivering waste infrastructure projects and it is too early to assess how significant the impact the Board has had.

Some form of London-wide waste board is needed and it is difficult to see an alternative model which the Boroughs would support.

The Board will want more income to continue post 2015 but funding remains extremely restricted.

Q. How has the duty on the Mayor to create strategies impacted when there are no powers specifically to implement them? Have the strategies influenced policies either of central government or of the boroughs?

The process has gone well. The London Plan forms the basic Core Strategy for all London's boroughs to which they add policies for their Local Plan. They have been positively influenced by the Mayor's London Plan and its associated Guidance documents. The latter are necessary now that DCLG has asked the Taylor Review to reduce the quantity of guidance in PPGs and PPSs. That guidance to Council planning and development management officers is important and it should be rationalised but not reduced in scope.

The London Plan has key Performance Indicators for monitoring. They indicate the problem above of excessive density of housing.

The London Plan has been developed in its 2011 version to state what boroughs should have in their Local Plan and on what basis they should make planning decisions. However, communities find that borough development control case officers do not quote or use the London Plan policies sufficiently.

The Mayor has introduced a London Plan Implementation Plan to ensure that issues are addressed and to support his Annual Monitoring Report.

The main problem is as described above that DCLG keeps changing the national planning policies after the NPPF was published in ways that are not suitable for London.

The NPPF revoked Government Office for London Circular 1/2008 which "provided advice and guidance on the arrangements for strategic planning in London". The Mayor considers that it is helpful for him to fill the gap that this leaves with a document at <http://bit.ly/Xo9jFe> that provides some information about his planning functions, and the way in which he intends to carry them out.

The Committee might consider how well that document meets its expectations.

3. The legislation raises a wider question about the London Assembly, and the Committee invites submissions on the powers and operation of the Assembly. To assist those making a submission the Committee has posed several questions which they may wish to consider, though they are not exhaustive.

London Forum supports the kinds of scrutinies that the Assembly's committees initiate.

We think that the Mayor's officers are slow to respond to recommendations by the Assembly Members in their reports.

The attendance at City Hall by Assembly Members and their response to emails varies considerably. As a result of the political nominations system, several of the Assembly Members have work commitments as Councillors in London's local authorities which keep them aware of local government matters and issues but restricts their availability for GLA work.

Written submission from the London Waste and Recycling Board (GLA 08)

INTRODUCTION

The Communities and Local Government Select Committee have called for evidence in response to the post legislative review of the Greater London Authority Act 2007. This submission responds to the question the select committee have asked about the achievements of the London Waste and Recycling Board (LWARB) set out below:

“What benefits have been achieved through the establishment of the London Waste and Recycling Board? For example, has it improved efficiency, recycling rates, joint working or instead created further layers of bureaucracy? What hard and fast evidence is there of tangible improvements which would not otherwise have occurred?”

SUMMARY OF LWARB ACHIEVEMENTS

LWARB has:

- Recently reached financial close on an Anaerobic Digestion plant and In Vessel Composting facility in East London, which is now under construction and expects to reach close on a further two projects this year, with a combined tonnage of circa 150,000 tonnes per year;
- Committed finance to five infrastructure projects that will deliver almost 10,000,000 tonnes of waste diversion from landfill over their lifetime, and nearly 3,000,000 tonnes of CO₂ avoidance. LWARB’s total commitment to these projects is £22 million, which will lever in around an additional £182 million of private sector finance.
- Made an £18 million investment into a waste Urban Development Fund under the umbrella London Green Fund (LGF). The total waste fund stands at £60 million. Debt is often an essential ingredient in meeting equity investor return requirements.
- Provided £14 million to support reuse and recycling initiatives in London. It is expected that this will lead to an additional 230,000 tonnes of material reused and recycled over the lifetime of these projects. Current data indicates that these projects have reused and recycled almost 80,000 tonnes of material to date;
- Funded the London Reuse Network (in addition to separate food and furniture reuse investments) which is expected to deliver around 200 jobs (of which 50 have been delivered to date), just over 3,000 training places (148 to date), 3,700 volunteer places (85 to date), and 1,600 work placements (42 to date);
- Established an efficiencies programme. It is hoped that the first two Efficiency Reviews could lead to savings of around £1 million;
- Established a joint equipment procurement scheme that leads to savings of around 10%.

BACKGROUND

The London Waste and Recycling Board (LWARB) was established under the GLA Act when it was revised in 2007. This followed the government’s review of the Powers of the Mayor and the Assembly in 2005–06, and in particular the former Mayor, Ken Livingstone’s proposal for a Single London Waste Authority dealing with waste disposal.

In response to the review, there was broad agreement from London Boroughs and the Mayor about the need for the development of additional waste infrastructure in London, and about the need for better strategic planning and co-ordination. There was significant disagreement between the London Boroughs and the former Mayor of London about the need for a single waste disposal authority as a functional body of the GLA.

The government decided upon the creation of the London Waste and Recycling Board, in order to bridge the gap between these two views, and provide a forum, underpinned through statute, to bring the regional and local tiers of governance together within a body requiring no change to existing governance arrangements. LWARB does not, and was intentionally designed not to, place additional bureaucratic burdens upon waste management within London. As such, its introduction was welcomed by London Councils (who had argued for such a body) and supported by the current Mayor (and was explicitly supported within both his Mayoral manifestos).

LWARB’S OBJECTIVES

The GLA Act 2007 established LWARB with the three main objectives to promote and encourage, so far as relating to Greater London:

- (a) the production of less waste;
- (b) an increase in the proportion of waste that is re-used or recycled; and
- (c) the use of methods of collection, treatment and disposal of waste which are more beneficial to the environment in London.

The Act also allows that, for the purpose of achieving its objectives, LWARB may provide financial assistance to any person towards or for the purposes of:

- (a) the provision of facilities for or in connection with the collection, treatment or disposal of waste produced in Greater London;
- (b) conducting research into new technologies or techniques for the collection, treatment or disposal of waste; and
- (c) securing, or assisting in securing, the performance of any function of a London borough council or the Common Council relating to waste.

In carrying out its functions LWARB must act in accordance with the Mayor's Municipal Waste Management Strategy and in general conformity with the London Plan so far as relating to the collection, treatment and disposal of waste.

IMPROVEMENTS IN RECYCLING AND REUSE

A summary of LWARB achievements is included as an Appendix.

LWARB has provided £14 million to support reuse and recycling initiatives in London. It is expected that this will lead to an additional 230,000 tonnes of material reused and recycled over the lifetime of these projects. Current data indicates that these projects have reused and recycled almost 80,000 of material to date.

The focus of LWARB's recycling and reuse expenditure has been:

- recycling communication messaging—both strategic and local;
- recycling collections from flatted properties; and
- the establishment of the London Reuse Network (LRN). This network has invested more than £2 million to date establishing a variety of programmes and infrastructure, including reuse workshops for the refurbishment of electrical items and furniture, depots for the storage and sale of reusable items, and pan London paint and bicycle recycling schemes.

These recycling and reuse projects are innovative and are generating additional jobs and training opportunities as well as additional tonnes of waste diversion from landfill and incineration. For example, the LRN (in addition to separate food and furniture reuse investments by LWARB) is expected to deliver around 200 jobs (of which 50 have been delivered to date), just over 3,000 training places (148 to date), 3,700 volunteer places (85 to date), and 1600 work placements (42 to date). These schemes would not have happened without LWARB, as we have been able to lever additional resources into programmes through a combination of match funding and joint procurement. For example, LWARB saved £200,000 (10% of the quoted price) on the procurement of equipment required for recycling from flatted properties.

WASTE INFRASTRUCTURE

LWARB is also, through Board commitments, helping to develop infrastructure projects in London that would otherwise not be able to secure all of the required finance. It is LWARB's experience that there are very few developers capable of funding the entire project investment off balance sheet. As such, alternative sources of funding have to be sought. Sources of private sector funding are constrained for many projects for a variety of reasons including the projects being too small or the contractual structure not being sufficiently securitised to satisfy a bank. Additionally, project returns are often not high enough to support equity only structures. The projects in LWARB's pipeline echo this sentiment and LWARB's finance products reflect the requirements of the market to enable delivery.

LWARB offers a range of financing products that are tailored to the requirements of each individual project. The products are offered at commercial rates and fill the financing gap in a project. Projects are robustly assessed, and LWARB aims to invest on the same terms as commercial lenders where possible. LWARB has recently reached financial close on an Anaerobic Digestion plant and In Vessel Composting facility in East London, which is now under construction. LWARB expects to reach close on a further two projects this year, with a combined tonnage of c. 150,000 tonnes per year.

The current pipeline of five committed infrastructure projects will deliver almost 10,000,000 tonnes of waste diversion from landfill over their lifetime, and nearly 3,000,000 tonnes of CO₂ avoidance. LWARB's total commitment to these projects is £22 million, which will lever in around an additional £182 million of private sector finance.

In addition, LWARB has made an £18 million investment into a waste Urban Development Fund under the umbrella of the London Green Fund. This is primarily an equity fund that has been further capitalised by the European Union (through its JESSICA programme) and private sector funds. The total waste fund stands at £60 million. Debt is often an essential ingredient in meeting equity investor return requirements. As such, LWARB and LGF are often looking co-invest. A sufficiently funded LWARB is therefore a key ingredient to enabling these infrastructure projects to happen.

This infrastructure will provide additional waste capacity that is generally available for waste streams that are offered on short term contracts. Capacity will be available to both businesses and waste authorities in

London (and beyond) and will enable waste authorities to access spot market capacity on short to medium term contracts, outside of their long term PPP/PFI contracts.

LWARB will only invest in projects where it can be demonstrated that the funding cannot be obtained from the private sector finance community.

IMPROVEMENTS IN EFFICIENCY

LWARB launched an Efficiency Programme in March 2012. LWARB aims to help London Waste Authorities save £10 million per year by 2016.

The programme offers assistance on a variety of areas such as joint procurement of equipment and marketing of recycling; support for developing shared service opportunities, the provision of Efficiency Reviews and good practice tools. Successes to date include:

- the creation of a joint textiles recycling contract, that comprises seven boroughs (with the possibility of a further three joining at a later date) that will provide a better income stream for this material;
- the first Efficiency Reviews have been conducted on borough waste services and the recommendations are beginning to be implemented. It is hoped that the first two Efficiency Reviews could lead to savings of around £1m (including some one-off savings). The costs of these Efficiency Reviews are covered by LWARB but are repayable upon savings being realised;
- work on shared services is much more challenging although we are currently working with boroughs in the South and West of London who are interested in examining the possibility of joint working. This is an emerging area for LWARB, but to increase the pace of change in London, LWARB has established an Efficiencies Committee with member and senior, and chief officer membership; and
- delivery of a number of good practice workshops focussed on key areas for development ie low performing areas, high rise and flatted properties, contamination and supporting crew training.

DOES LWARB ADD A LAYER OF BUREAUCRACY?

LWARB does not impose any additional burden upon boroughs. It does however, provide a forum where local and strategic issues can be discussed. LWARB works closely with the GLA and with London Councils and the London boroughs. The establishment of an efficiency programme and efficiencies committee provides the opportunity for London's waste authorities to exploit the opportunities for shared services and pan London waste governance issues. Previous attempts to change governance structures within London have failed due to the top down nature of the approach taken. LWARB, by its composition, is the only forum where these issues can be resolved collectively.

LWARB leverages additional resources through strategic partnerships with national organisations operating in this space, and through the additional private sector investment that it generates.

The London Waste and Recycling Board provides a substantial financial and organisational resource for London boroughs and the Mayor to engage in partnership on waste issues. LWARB Board members have a strong background in local and regional government, waste and investment issues²⁸ and LWARB is an example of London Councils and the Mayor working in partnership.

Both London Councils and the Mayor support LWARB's request to government to provide additional funding in the next spending review. The aim is that, through its investments, LWARB becomes self financing, and can continue to deliver improvements in waste management in London without relying upon further additional tax payer support.

February 2013

APPENDIX

LWARB ACHIEVEMENTS

UNIQUE PROJECTS

- London's first AD plant: TEG.
- UK's first and probably world's largest materials reuse network: London Reuse Network.
- UK's first large scale Gasification plant: Biossence.

BULLET POINT NARRATIVE

- Since it was established LWARB has committed c. **£54 million** to various waste minimisation, reuse, recycling and waste infrastructure projects to improve waste management in the capital.

²⁸ Richard Tracey AM (Chairman and Mayor's Representative), Cllr Clyde Loakes, Cllr Bassam Mahfouz, Cllr Nicolas Paget-Brown, Cllr David Williams, Melville Haggard, Independent, Barbara Anderson, Independent, Matthew Pencharz, (Mayor's Environment Advisor)

- These projects will create over **330 jobs**, and over **3,000 trainee roles**, **3,700 volunteer roles** and **1,600 work placements**.
 - Anticipated **2.8 million tonnes** of CO₂ displaced over project life spans, once all funded projects are fully operational
 - Anticipated c. **465,000 tonnes** diverted from landfill annually, once all funded projects are fully operational.
 - **£226 million** of external investment attracted through LWARB commitments.
 - **£18 million** invested in the London Green Fund, Waste UDF (Foresight Environmental Fund)—matched by London European Regional Development Fund—and at least another **£35 million** from the private sector.
 - Wide range of projects, from waste infrastructure through to community reuse projects:
 - 1 x Gasification plant.
 - 1 x MHT plant.
 - 2 x AD plants.
 - 1 x plastic reprocessing plant.
 - 3 x reuse projects, including UK's first and world largest reuse network.
 - Consumer campaign (RfL).
 - Local Authority £5 million grant funding through the “Flats Recycling Programme”.
 - £18 million investment in the London Green Fund, Waste UDF—“Foresight Environmental Fund”.
 - Flats Recycling Programme:
 - 29 projects—across 26 boroughs.
 - Seeing an average recycling increase of 43% per project.
 - *Over the first four years:*
 - **600,000 households** will have new/improved recycling services.
 - **Diverting around 70,000 tonnes** of waste from landfill.
 - **Prevent almost 110,000 tonnes** of CO₂ from entering the atmosphere.
- *All projects are fully operational by March 2012.
- Pipeline capacity: **1,075,000 tonnes** from landfill each year.

Written submission from Professor Tony Travers (GLA 09)

GREATER LONDON AUTHORITY (2007) ACT

1. CHANGES MADE TO LONDON GOVERNMENT IN 2007

This memorandum is a response to the Communities and Local Government Committee's request for evidence in respect of its inquiry into the impact of the Greater London Authority (2007) Act. The Committee has summarised the purposes of the 2007 legislation as follows:

- providing the London Assembly with extra powers and an independent budget;
- establishing the London Board within the Homes and Communities Agency (at that time the Housing Corporation);
- establishing the London Skills and Employment Board;
- allowing the Mayor a freer hand in making appointments to a number of functional bodies, including Transport for London;
- requiring the creation of plans and strategies in a number of policy areas; and
- allowing the Mayor a greater role in determining planning applications which he judged to have strategic importance.

Another key change was:

- the establishment of a new London Waste and Recycling Board.

2. THE GOVERNMENT'S ASSESSMENT

The government's memorandum on the subject²⁹ is luke-warm in its judgement of the success of the 2007 changes. However, it sees the planning changes as broadly positive, stating: “Insofar as the approval of planning decisions can be read as furthering economic development, then the power has had a beneficial effect on London's overall social and economic development. It may also be the case that the Mayor's initial uses of the powers may have persuaded boroughs to take a more positive view of development applications in order to

²⁹ Memorandum—Post Legislative Scrutiny Greater London Authority (2007) Act, Cm 8428 , September 2012, DCLG

avoid mayoral intervention, providing a further boost to the city's economy...". Other changes are judged to have had limited impact and some (notably in relation to housing) have been superseded.

The 2007 Act was indeed of modest intent. Subsequent changes made in 2011 affected housing, economic development, policing and Royal Parks, though these, also, were of limited scope. The reforms of 2007 and 2011 contributed to a small extension of the Greater London Authority's powers. Neither of the reforms were a radical further step in the direction of devolution to London.

3. IMPACT OF THE 2007 ACT

The current government is broadly correct in its assessment of the 2007 Act. The new planning provisions shifted the balance of power over major developments towards the Mayor and away from the boroughs. But the change only affected a limited number of larger developments. Given the pressure for development in London, boroughs will inevitably come under pressure from local residents to reduce the number and scale of big projects. As in any large city, city-wide requirements must be set against those of neighbourhoods. From time to time the mayor will have to overrule boroughs in the whole city's interests. At a time of sharp development pressure and within wider English planning policies which seek to protect green land, this reform was probably justified. There is little, if any, pressure to reverse this reform.

The other changes made, concerning matters such as confirmatory hearings by the Assembly and the creation of new waste and skills boards, have had, at best, modest impacts. It would be difficult to point to any particular subsequent policy impacts and attribute them directly to the 2007 Act. However, the new housing powers paved the way for the 2011 reforms. Taken together, this pair of changes gave the Mayor of London a bigger city-wide role in the delivery of housing.

4. CONCLUSIONS

Post-legislative scrutiny would suggest the 2007 reforms delivered a modest further devolution of power to the Greater London Authority. But these changes, like those enacted in 2011, failed to address a number of key problems with the original legislation which need to be tackled in the future. In addition, devolution has been far less radical in London than in Scotland and Wales and shows few signs of following these nations towards more extensive powers. The most important of the outstanding problems facing the GLA are as follows:

- the Mayor's formal relationships (eg, the appointment of boards and responsibility for setting policy) with the institutions that deliver services (transport, police, fire & emergencies) are inconsistent and hard for the public to understand;
- the Mayor has a number of weak powers where his/her capacity to act is very limited, for example, over skills, public health and waste;
- the Assembly's powers to act as a legislative body (a role consistent with the "American" mayoral model in use in London) is weak;
- there are unresolved problems in relation to the appointment of "political executives" to the Mayor's Office, a process which is very different from the traditional, "non-political", way of appointing civil servants and local government officers;
- there are issues associated with the "sudden death" nature of power changes in the London mayoralty. Building a new executive within hours of a change of mayor causes a challenge for the new office holder; and
- there are challenges associated with the use of a single executive for many of the key functions of the Mayor and Assembly, whose functions are adversarial.

In addition, though not a problem in relation to the current operation of City Hall, it is worth noting that, in the context of further devolution to Edinburgh and Cardiff,

- the GLA has far fewer responsibilities than the governments of Scotland, Wales and Northern Ireland; and
- the Mayor has little fiscal autonomy.

There will probably, in the relatively near future, need to be a fuller review of the operation of the GLA and, indeed, of its relationships with the London boroughs. Moreover, the progress of devolution to Scotland and Wales has implications for the governance of London and of city regions elsewhere in England.

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