

Mayor's Question Time – 28 January 2009

Transcript of the Mayor's Statement on the Draft Consolidated Budget 2009/10

Boris Johnson (Mayor of London): Thank you, Jennette. I just thought it might be useful for the Assembly if I said, since this is not a normal MQT in which you would expect me to say something about the events of today, we have, I think, been very lucky and I hope London will agree that we have got a very good new Commissioner in the form of Sir Paul Stephenson [Commissioner, Metropolitan Police Service]. I just want to say, for the benefit of those Members of the Assembly who do not know the process, the Home Secretary and I met on Monday to interview the two final candidates and they were both exceptionally good candidates but Sir Paul was the outstanding candidate. I think everybody on the Metropolitan Police Authority (MPA), as well, would agree with that assessment. I think we have made the right choice. I think he will provide common sense policing for London. He will help to get officers out on the street where they want to be, giving people the sense of safety and reassurance that they need and as we have discussed on the MPA, trying to reconnect the sense of security with the data that tell us that crime is actually falling; to get people to have the perception that they currently do not have of safety and security on the streets and I think he is just the man to do it.

As to the budget, which I am happy to present this morning, Jennette, of course Members of the Assembly will have seen this document now several times and it is a quite supermasticated item on the agenda, but it is very important. I do hope that it will meet with your approval, though I have read with interest the Assembly's submissions on it. I understand that there are some counterproposals from Jenny [Jones] and others and I have studied those with interest. I do think it is a sensible way forward for us in this body. I think it is the best thing for the institutions for which we are responsible. I think it is right that, for instance, we should be spending less on press officers and more on police officers. I think it is absolutely right that we have been able to find, so far, £100 million in efficiency savings across the group and I am proud to say reducing the cost of the Mayor's Office alone by £1.9 million.

We are going to continue to find economies while we can. We are snappers-up of unconsidered trifles when it comes to finding economies because if you do that and if you concentrate on the little things then you can deliver really quite substantial savings. I think it is our moral obligation to do this now particularly when so many hundreds of thousands of people in this city and this country are facing the possibility of losing their job. We must accept the fact that very often people look across to those of us who are lucky enough to serve in the public sector and they notice a disparity because people in the public sector by and large do have greater protection in time of economic hardship than those who are more vulnerable to the vagaries of the economic climate. On the whole we will have pensions that are better protected from the vagaries of the economic climate. That is why it is our duty to bear down in any way we can on the costs and the taxes that people in our city face and that is why I am very proud to be the first occupant of this office for eight years to be offering the people of London a freeze in our share of the Council Tax. I think it is the right thing to do and I hope very much, Members of the Assembly, that you also will agree and will be able to support these proposals.

Jennette Arnold (Chair): Is that the end of your presentation, Boris?

Boris Johnson (Mayor of London): I think you have heard quite enough from me, yes. I am looking forward to hearing your questions.

Mayor's Question Time – 28 January 2009

Transcript of the Statement of the Chairman of the Budget and Performance Committee on the Draft Consolidated Budget 2009/10

John Biggs (AM): I often say this of other people: I am a two-headed beast this morning; first of all I am a Labour spokesman on the budget, and we may make other points there, but secondly I am speaking as Chairman of the Budget and Performance Committee, which is a cross-party Committee. I would start by saying that every report we have issued this year has been arrived at consensually and without substantial dissent. Obviously you cannot cover every issue that every party raises and obviously a substantial part of the Budget Committee are the same party as the Mayor and will tend to support his proposals, one would assume, more or less whatever they are, but let us hear what they say later. The role of the Committee is to scrutinise the Mayor's budget and the way the Assembly works - for members of the public, as well as ourselves - is that it has delegated to the Budget Committee the early stages in considering the Mayor's budget.

We started in the summer of last year by issuing what we call a pre-budget report, which the evidence suggests was quite instrumental in helping to form the Mayor's budget proposals. We had a very positive response from the Mayor's Office on the proposals made in that report and we are very grateful for that. Again, people come here to see the blood sport of politics but a lot of what we do in London government is of course consensual and we support many of the proposals across all the parties that the Mayor is carrying forward, many of which have a distinguished lineage starting with Mr Livingstone - sitting behind me - carried forward seamlessly into Mr Johnson's administration - Mr Johnson sitting in front of me. We are aware, I think, today that we are all that sit between ourselves and the Mayor's executive jet to Switzerland, so I am sure he will want us to be brief, but equally I am sure he recognises that the dignity of London's government requires us to be very comprehensive in scrutinising him and holding him to account.

We received the consultation budget just before Christmas in December 2008 and have responded fairly comprehensively to that. We would hope that the Mayor in his final proposal, in addition to responding to points made politically today, will be addressing the points made in that response. I do not want to delay the meeting unduly from the maybe more partisan politics that will follow, but I will make a couple of other points. The first is that this is a new administration. It is the first time we have had a change of administration since City Hall was made up. Obviously there were some bumpy bits in that experience. I think there is a majority view on the Budget Committee that it surprised us that it has taken as long as it did take to form the Mayor's Office and sense of direction but we welcome the sense of direction and travel that has been achieved so far. Clearly we have also been hit by the economic downturn and a number of risks are presented to the Greater London Authority (GLA) and the Mayor has to tackle those in his proposals following from the economic downturn. There are risks such as risks of changes in the patterns of crime in London, the risk to the fares income at Transport for London (TfL) from an economic downturn and the risk that the budget pressures may lead to pressures in providing the services that Londoners expect out of City Hall.

On the one hand I am sure we all welcome for a variety of reasons the zero precept rise, but the Budget Committee would highlight that this brings with it a number of potential risks if it is a strategy that is continued long term because it will diminish the available funds to the Greater London

Authority and there are a number of risks. One of those which the Mayor has addressed so far but which I think a majority of us would say needs to be continually addressed and is a risk area is the threat to police numbers flowing from a freeze in precept over the next four years, for example, but let us see what happens in the coming years. Very finally - and Darren [Johnson] chairs the Assembly's Business Management and Administration Committee which considers the Assembly budget, but we may not have an opportunity to speak to the Assembly budget - the Assembly considers its own budget proposals and I think it is worth recording that we have frozen in real terms the Assembly budget, which means we have frozen it in numerical terms, which means after inflation a real terms cut in the Assembly budget this year and hopefully that will sharpen us up in doing our job even more effectively than we have in the past, Chair. Thank you.

Mayor's Question Time – 28 January 2009**Transcript of Questions to the Mayor on the six sections of the Draft Consolidated Budget 2009/10**

Jennette Arnold (Chair): We will now put questions to the Mayor on the six sections of the budget in the order that they are set out in the budget. We will start with the Mayor's section of the budget.

(i) Mayor of London

Roger Evans (AM): Thank you, Chair. In addition to distinguished guests in the public gallery of course we also have a former holder of mayoral office observing us today. He always used to tell us that it would be very difficult to save anything out of the budget at all without cutting services. Can I just ask how difficult was it to achieve savings this year and do you think there could be possibilities for more savings in coming years?

Boris Johnson (Mayor of London): I do think obviously there is always scope for efficiencies and economies, and, if you look at some of the things that were thought to be priorities under the previous regime, I am very pleased that we have been able to dispense with them. I see no reason, for instance, why it was necessary to spend £20,000 on lunch for some Latin American autocrat. I think that is a waste of public money. I saw no particular reason to spend millions every year on *The Londoner* newspaper, this obscure journal redolent of the communist era that used to be posted through every letterbox in London. It seemed to me that there were savings that could be there and I am very happy that we have been able to find them. As John [Biggs] said in his introductory remarks, clearly the challenge will be, as we go forward, to make sure that we can continue to bear down on people's Council Tax without in any way imperilling what we need to do in terms of frontline services, particularly getting police out on the streets. I am very conscious of that but I am very sure that we can do it.

Roger Evans (AM): In case you wondered the piece of paper we are having circulated to us now is a Green Group proposal to increase Council Tax. Do you feel that that will help the economy-?

Darren Johnson (Deputy Chair): By 7p a week.

Boris Johnson (Mayor of London): I observed the proposals to increase Council Tax and indeed to increase other charges on ordinary families in a way that I think would be deeply regressive and contrary to what I believe to be normal Green Party thinking. For instance, I really cannot see how it would help small businesses in the current climate who are struggling, who are facing pressure to layoff members of staff, where you have real issues with unemployment in this city. I cannot see how it would help to introduce a £25 charge on larger vehicles. It has vanishingly little effect on CO₂ emissions in this city. It is pure gesture; politics motivated entirely by a desire to bully people that the Green Party thinks may be in possession of SUVs or Chelsea tractors when in fact it could easily hit ordinary families and those who need a large car for the purpose of their business. I would say the same thing frankly about Green proposals to increase the Congestion Charge to £10 a day. This is

exactly the kind of measure that is profoundly inimical to the interests of small business and we need now to support small business, not to be persecuting it, Roger.

Roger Evans (AM): Yes, thank you for those comments on Council Tax. Obviously we like to challenge you here at the Assembly. Can I challenge you to actually set about reducing the precept further in years to come and removing some of this burden from Londoners?

Boris Johnson (Mayor of London): It is obviously my ambition to lift the burden as far as possible from the shoulders of Londoners, particularly Londoners on low incomes but as I think John [Biggs] rightly says, the dilemma will always be how to do that without jeopardising frontline services. I am convinced that there are still economies to be found. In TfL alone we are going to find economies of £2.4 billion. The Metropolitan Police Service (MPS) is making considerable savings already and you will all be familiar with the efforts we are all making within the GLA.

Roger Evans (AM): Do you think there are further savings to be made in this building in this particular organisation? The building was designed for I think a bit over 600 people. There are actually more people here than it was intended for. Would you look at that in coming years?

Boris Johnson (Mayor of London): Well there are targets for savings that we intend to implement. All I would say is that, as you can imagine, I am a great fan of and a believer in the work that is done by us in this building. What I would just remind you of is that experience we had the other day. I said this at the London Governance Dinner, when we had the fire alarm - do you remember the fire alarm? - and we all filed out into the mist. Maybe some brave people stayed at their desks but we all filed out into the mist and it was striking to see how many hundreds and hundreds there were of us, all doubtless doing fantastic work but at the end of that fire alarm everybody filed back into their offices, didn't they? They went back to a place of warmth and light and companionship and gossip and bickering and feuding and all the rest, all the things that keep people going and make people enjoy employment, particularly on the seventh floor. Of course there are many people in London, many people in this country at the moment who do not have the opportunity to go back comfortably into their offices because they are losing their jobs. It is our duty to help those people and in the public sector to make sure that we are not adding needlessly to their burdens.

Mike Tuffrey (AM): We, from this side, welcome the freeze and so I put that on record again. We opposed the increases year-on-year from the previous mayoralty. Let me say it is vastly overstated the claims that you are making to have relieved the pressure on Londoners. Is it not the case that if previous spending plans had carried on Council Tax would have gone up by £9 a year on band D, but your fare increases have raised the cost of a travelcard anywhere from £160 a year to £300 a year? So please do not overstate or seek to con Londoners about the benefits that a freeze brings, welcome though that is.

Can I pursue Roger's point about looking forward, because you came in on this Patience Wheatcroft 100-day blizzard, a blizzard of reforms, bonfire of waste and all that stuff and we have had a few billion, so that is good. What about next year? Just looking specifically at police and transport, what is the saving on the annual running cost - not the ten-year figure that you just quoted for the £2.4 billion - that you are aiming to get out of police and fire without effecting frontline services, which is the pledge you have given? What can we expect realistically from you for next year?

Boris Johnson (Mayor of London): For next year? Let me just begin, Mike, because we have had this exchange several times now. You are making a completely reasonable point in my view about transport costs and the challenges London faces. All I would say is that I just think it was very, very difficult to do anything other than go ahead with the fare increases that we were obliged to do. Of course I am very, very pleased that we were able to alleviate the impact of those fare increases upon the poorest and the neediest by extending the 24-Hour Freedom Pass, which I think has been of great benefit to older people in London. The thing that we were able to devise with your assistance of which I am grateful, which is extending the cut price travel for those on Jobseekers' Allowance (JSA), which I think is absolutely the right thing to do now, to maintain support for people on income support and to look at ways of making sure that in the middle of the day the fares are lower.

There are all sorts of things that we are doing to alleviate the impact of those fare increases. I would point out for the nth time that in London the fare increases that were necessitated by the black hole that we found in TfL's finances are nothing like the scale of fare increases on National Rail which the Labour government has done absolutely nothing -

Mike Tuffrey (AM): I understand all of that. I want you to look forward -

Boris Johnson (Mayor of London): I know you understand all that but it is important that viewers and listeners hear that and that I am able to get the ball back over the net. I just want to say on the issue of next year and how I see things going, I really am afraid to have to tell you that I am asking you to approve the budget for this year, Mike, and to start to get into an analysis or prognostication of where we will be next year after what may very well be very trying economic circumstances would I just think be fruitless at this stage. I do not see how we can have a meaningful discussion about Council Tax yields next year when they have still been going up, they have still been expanding this year. It may very well be that that is not the case next year. It may very well be that it is the case. Neither you or I can predict that. I think it would be wrong for us to try to do so in this conversation.

Mike Tuffrey (AM): We will debate this later but I wanted to give you the opportunity to give us that forward look as part of our case as this budget is very short term and does not actually set forth a vision in how you see things going forward but we will return to that, thank you.

Boris Johnson (Mayor of London): Well if you want, my overall intention is to continue to bear down as far as is sensible and possible on the burden of taxation for Londoners. As I understand from what you are saying we share that ambition.

Mike Tuffrey (AM): I understand the rhetoric and I share the ambition. I just wanted to nail it down. Thank you. That is fine for now, thank you.

Richard Tracey (AM): A very quick one, Mr Mayor. Have you received any representations to restore *The Londoner* from anybody in London?

Boris Johnson (Mayor of London): No, Dick. Curiously enough I have not. It is quite extraordinary. No, not a single person has mourned its loss but it may be that there are people out there who yearn for it. I think probably on the internet they could find some consolation in the form perhaps of the Pyongyang Peoples' Daily. I have no doubt there are plenty of other comparable publications that they could find on the web.

Tony Arbour (AM): I much enjoyed your introduction, which sounded like something from Old Boris' Almanac. The only thing that was missing was 'many a mickle makes a muckle' but you were talking about unconsidered trifles. There are many of us who think that a trifle which you failed to consider was a substantial reduction in the offices which the GLA has in places east of Wapping, and I would like an assurance from you that the way to ensure that London, and indeed England, is able to put across the fact that it is a wonderful place to do business will be to gain the economies of scale of working with the City, working with British embassies and so on. There is absolutely no need whatsoever for us to have our own offices and I would ask you to reconsider that particular trifle.

Boris Johnson (Mayor of London): As so often, Tony, you are ahead of the game and you are completely right. The fact is that there is now a very, very detailed programme to integrate our efforts with the City of London in particular and to make sure that we greatly reduce the amount of investment going into this proliferation of bodies and offices that are meant to represent London around the world. Nonetheless, with that lower sum of money contrive to make the brand of London shine much more brightly overseas and we can definitely do that. You will see a lot more about this over the next few months.

Just in terms of the overseas offices, what we are doing already in the meantime is that we are for instance making savings on the London Development Agency (LDA) budget from the Delhi, Mumbai, Beijing and Shanghai offices of £500,000 already so they are down from £1.6 million to £1.1 million. The Brussels budget is being shaved, the Moscow consultant has been terminated, and the Caracas legation or deputation or I do not know quite what it was, emissary, has also been terminated, saving £67,000. There are also savings that we are making in China of £21,000. We are making savings across the board and I would just invite you to consider these economies as preparatory work that we are doing before we go ahead with a quite difficult - and there is a certain amount of amour proper involved in the integration that we are proposing but it will yield great benefits for London.

Tony Arbour (AM): Yes, well we are very grateful for what you are doing there. In parting I wonder if you would care to comment on the hypocrisy which we have had from the Liberal Democrat Group saying that they want to remove the burden of Council Tax. They support your freeze, whereas Liberal councils in London, particularly in South West London, continuously levy the highest Council Tax in town. One of the ways in which you could demonstrate to them and to the rest of London that you are serious about cutting costs might be to look at this Authority's planning function. It would be extremely helpful if you were to put on record to say that only in the most extreme strategic matters, ie things which affect more than one borough, will you go against the planning decision which is made by the local planning authorities. If you were to do that you would be able to cut your overhead very substantially and that will be the first step in devolving powers from this place to the boroughs.

Boris Johnson (Mayor of London): Well let me say I would not dream of accusing the Liberal Democrats of hypocrisy, obviously. What I would say is I do hope that having stated their support for this freeze that we are doing here in the GLA, I hope very much that they will use their good offices to persuade their Liberal Democrat counterparts across London in the councils to do the same thing as the Conservative councils are. I see some nodding and I hope very much that you will do that because that is what London needs at the moment.

On your suggestion that we should basically devolve planning decisions back down to the boroughs in every case, I think most people who have been at the planning decisions that I have been asked to

take will recognise that I overwhelmingly decide to go with the borough if there is a clearly stated borough view on the matter.

Darren Johnson (Deputy Chair): Following your very, very brief statement introducing your own budget you actually seemed to go into more detail analysing the Green Party Group's alternative budget than you did presenting your own. Do you think -

Boris Johnson (Mayor of London): For the benefit of viewers in outer space, we have heard this several times before. If you want a 4-hour Qaddafi monologue about the budget I am happy to.

Darren Johnson (Deputy Chair): Well we used to. I am just thinking back to the old days. Do you think in terms of increases the average household would prefer to pay an £3.81 a year in Council Tax or an extra £180 a year in fares?

Boris Johnson (Mayor of London): Well I think that is a false alternative. I know what you are driving at and I repeat my answer to Mike: I think it was impossible for us to do anything else but alleviate the debts that were bound to accrue to the TfL budget. We are looking across the British economy at the moment at the catastrophic consequences that go with allowing public sector debts to be racked up without proper control. That is why I am afraid you are seeing such an uncontrollable fall in the value of the pound and that is why we are going to be paying off the debts racked up by this government for generations to come. I was not prepared to see Transport for London put in a similar position. We need to be able to have a soundly based financial footing for TfL and to allow that body to go on and invest in the things that London will need for the next ten to 20 years.

Darren Johnson (Deputy Chair): I fully agree with you.

Boris Johnson (Mayor of London): I am afraid that I think that the Green Party policy, which I do not think is supported by other Members, would have been catastrophic for the finances of Transport for London.

Darren Johnson (Deputy Chair): I agree there is a black hole in TfL's budget but it is a black hole you yourself created. You had to put up fares to raise an extra £30 million to fill the £30 million gap that you created by cancelling the £25 Congestion Charge. You created the black hole yourself.

Boris Johnson (Mayor of London): That is complete and demonstrable arithmetical nonsense. There was a massive black hole in TfL's finances. I go back to an argument that we have had many times now but I never tire of saying it; you will recollect that it was an agreement between this body and the Government that Retail Price Index (RPI) plus one was necessary for the financial package for Crossrail and the former Mayor agreed that in his capacity as Chairman of TfL. He then approached political difficulty round about Christmas 2007 and decided for the sake of short-term political expediency to deny that that was necessary when, in fact, everybody knows that it was the only way forward for TfL. It was the only way to allow us to go ahead with the financing of projects such as Crossrail, which are utterly vital for this city.

Brian Coleman (AM): I am looking at what used to be called the core GLA budget, which of course is now split between the Mayor's Office and the Assembly under the new Act [Greater London Authority Act 2007]. If you add the two figures together - £124 million on the Mayor's Office and £8.7 million - a rather modest figure - on the Assembly budget, we are up to £132 million. I

remember the first year of this Authority when, I think, the entire City Hall budget was about £38 million and as what we used to call the core GLA budget has an disproportionate impact on the precept are you looking to get back to that sort of figure plus inflation?

Boris Johnson (Mayor of London): Well -

Brian Coleman (AM): Because although we recognise you made an excellent start and some excellent cuts -

Boris Johnson (Mayor of London): Well thank you.

Brian Coleman (AM): - are we still heading the core GLA budget down to the much more reasonable figure that this Authority started with eight years ago?

Boris Johnson (Mayor of London): Yes. I just would point out, for the benefit of viewers and listeners, there are two components to us here: there is the mayoralty and there is the Assembly, and I would just point out in terms of the savings profile that we are going to be producing over the next few years that the savings we intend to deliver in 2009/10 are £9 million going to £10.6 million by 2011. The Assembly is flatlining at £200,000. We will, of course, do what we can to drive down expenditure and to make economies.

Brian Coleman (AM): Can I ask about the role of your ambassadors - or envoys or consul-generals or whatever they are - and the cost of running a team of ambassadors?

Boris Johnson (Mayor of London): Brian, fill me in on these ambassadors.

Brian Coleman (AM): Well, for example, Rosie Boycott [Chair of London Food] who is your food ambassador. Presumably she receives office support, researcher support, and administrative support?

Boris Johnson (Mayor of London): She does, Brian. It is all accounted for by the Mayor's Office which, as I say, has been able to deliver considerable savings of its own of going on for £2 million.

Brian Coleman (AM): Yes, you have appointed a number of ambassadors. A number of my Assembly colleagues have been appointed ambassadors. Are they receiving extra support on the eighth floor [the Mayor's Office]?

Boris Johnson (Mayor of London): Your tone seems slightly disapproving of the -

Brian Coleman (AM): You have noticed, Mr Mayor. All right, I will ask you as a direct question then. Do you think the food ambassador, costing however much she costs us, is providing any added value for London taxpayers?

Boris Johnson (Mayor of London): Obviously, I feel slightly nervous, Brian, that you do not feel that I have given you - I thought I had made you Chair of London Fire and Emergency Planning Authority? I mean, he wants more money!

Brian Coleman (AM): In which capacity our 7,000 staff are doing a first rate job. I just want to know what the food ambassador is doing.

Boris Johnson (Mayor of London): I am not for a minute contesting that you do a first class job. Let me say that most of the people who have been generous and public spirited enough, like James Cleverly or others, to work as ambassadors or whatever it happens to be are doing so without any financial consideration whatever.

In the case of Rosie Boycott I can, of course, supply you with the details. She does get some support for a programme that has so far delivered, to the best of my knowledge, at least 400 new growing spaces across London. I think Londoners who are looking at what is happening in the economy and looking at the desirability of increasing food supply and the participation of young people in growing food across London will actually think that is not a bad investment. A very small, small sum of my Mayoral Office budget to kick-start a programme for green spaces and growing food across London in unlikely places that will, I think, add greatly to the attractions of the city and inspire people with an interest in growing food. So I am totally behind Rosie Boycott and her programme - and so I think is Jenny [Jones] - and I am delighted -- that she has agreed to be Chair of the London Food Board and I have absolutely every confidence that she will deliver value for the very small sums that she receives.

Jenny Jones (AM): Well said.

Brian Coleman (AM): Can we move on to the cost of your welfare rights campaign? Members of the Assembly yesterday received a considerable amount of bumf encouraging Londoners to claim. I am afraid mine went straight in the recycling box. Is this not a job that is being done by the London boroughs and is, in fact, firmly within London boroughs' remit?

Boris Johnson (Mayor of London): Well I am delighted that the London boroughs are doing that job but the fact remains that, I think, 25% of Londoners, many elderly Londoners, old Londoners, and poor Londoners who are entitled to benefits are not claiming them. Often there can be £50 a week that is going unclaimed through simple ignorance or perhaps pride or reluctance to claim or whatever it happens to be. I think that if we can do something at no cost whatever by having a launch of a programme, getting a few television cameras outside and encouraging Londoners to take up the benefits to which they are entitled, I see absolutely nothing wrong with that and nor do I think it in any way cuts across the activities of the boroughs.

Brian Coleman (AM): The problem is if you are going to reduce the costs of the Mayor's Office, which I am sure you are and we wish you well in doing that, if you are going to reduce the costs of the Mayor's Office you have actually got to stop doing certain things. The only way in local government to cut the costs is to stop doing certain things, isn't it?

Boris Johnson (Mayor of London): Well no. Can I just say - and I hesitate to disagree with you, Brian, but I think you are completely wrong - I think there are things that I can do and there are things that we should all be doing in this body to give leadership and support and information, which are frankly cost-free. Explaining to Londoners, as Richard Barnes did with that campaign, that there are benefits that are currently going begging because they are not claiming them and it could actually help them in times of economic hardship is, I think, something that we should be doing in this body.

John Biggs (AM): A handicap that we have, I think, is that not many of us have Brian's detailed expert knowledge of food! The question I have is about fares and it is just that when you achieve your ambition and become whatever it is - President for Life of North Korea or something - it would

be nice to look back at this time and how you developed your expertise in not answering questions. So just as the Greens and the Liberals have done, I would like to ask you whether you accept that the average Londoner who travels on TfL services will be worse off as a result of your budget than they were last year?

Boris Johnson (Mayor of London): Well, John, I am delighted, by the way, to welcome you as the future leader of the opposition in wherever I end up, in North Korea or wherever it happens to be. I just want to repeat what I said to Darren [Johnson] and to Mike [Tuffrey], which is yes, as we discussed ad infinitum on this body, yes it was necessary to put up some fares though we did do what we could to alleviate. I would point out that the people who are the beneficiaries of this budget will be considerably better off than other travellers who have been hit by the swingeing increases imposed by National Rail companies for which the Labour Government is responsible.

John Biggs (AM): So I think that is a yes that they will be worse off? Can I move on to your next question?

Boris Johnson (Mayor of London): No they are far better off than they would have been.

John Biggs (AM): This is the anecdote to Brian Coleman's question, which is that it seems to me - and I hope you would agree with this - that one of the roles of you as Mayor of London is to act as, what is called, a bully pulpit for London. That is to say to speak up for London, make its case, demand resources, argue for things like Crossrail, better benefits uptake or whatever. Do you accept that as part of that you need to have quite a substantial team of staff here who provide you with the support and advocacy and policy work that enable you to fulfil that role?

Boris Johnson (Mayor of London): Yes, John. What I would say is as I have spent nine, ten months now doing this, you realise how absolutely indispensable it is to have good people here. I stress it is the quality of the people around you not perhaps the numbers that matter.

John Biggs (AM): The obvious question is through your savings in the core GLA budget - and we do appreciate that you wanted totemically to introduce those this year - you run a risk of reducing our capacity in certain areas. I have one specific question which is, we are all celebrating the election of Barack Obama - perhaps with a few exceptions in the room - and he has said very eloquently that the American economy's future depends very much on environmental technologies and on understanding environmental challenges. I think your predecessor as Mayor made a very, very strong case for that being the case for London. I think you have said things to the effect that you agree with that in London.

Boris Johnson (Mayor of London): Yes.

John Biggs (AM): Yet you are slashing the environmental support budget within the core GLA and therefore the ability of City Hall to make the case on environmental issues.

Boris Johnson (Mayor of London): It simply is not true that we are spending less on the environment. Let me give you the figures. In the core GLA it is going up from £2.7 million to £4.7 million and overall across all the bodies for which we are responsible the environment spend is going up from £153.2 million to £209.9 million. That is a very, very substantial increase. Again I am delighted at the opportunity to nail, once more, the lie that is peddled - and peddled in both ways -

by the Greens who say that we are cutting spending on cycling because we are simply not. If you look at spending on cycling it is unbelievable that you are persisting in this.

Darren Johnson (Deputy Chair): You are cutting it on the cycling network.

Boris Johnson (Mayor of London): We are increasing the spend on cycling to £111 million, to the best of my recollection, by 2009/2010. From £47.7 million this year, 2008/09, to £111.3 million in 2009/10 and that is a measure of my commitment, our commitment. I think everybody around this horseshoe - with the possible exception of Brian [Coleman] - has a commitment to cycling. Sorry, Brian, I think I am correct in my analysis. I really think that we have a wonderful opportunity to encourage it and I am delighted, John [Biggs], that you have given me the opportunity to make the point.

John Biggs (AM): Can I interrupt you because this is eating into our time? Right, but I think the challenge we have very, very briefly is that this year you have not produced a sustainability report, you have closed the Climate Change Agency, you have cut the core staff advising you on environment while spending more money on planting trees, which does not exactly help to promote the case for environmentalism in London. In essence you are not coherent in your strategy on this. Should we move on?

Boris Johnson (Mayor of London): Well actually I am delighted you put that. I think most people listening to your question and most people analysing what you have just said will think actually they have got a - even if you were accurate in your analysis, which you are not - most people would say that was not a bad thing. I think most people would think it was a good thing to be planting trees across London in the way that we are. As it happens, you are wrong because we are indeed maintaining our investment in combating climate change and in particular I would stress the importance of the retrofitting programme I think that we should be encouraging across London. This is a major opportunity for us in this city and this country. Retrofitting I think offers fantastic possibility for the generation of new, green jobs and I think we should all be getting behind it.

James Cleverly (AM): Mr Mayor, pressure on small businesses is acute during this economic climate. Do you support London government's plans to pay their bill to suppliers more promptly?

Boris Johnson (Mayor of London): I do and I think everybody in the public sector, as I was saying earlier on, owes a huge duty now to struggling small businesses. That is why it is absolutely right that we should be paying our bills within ten days and I would like to see this done across Whitehall.

James Cleverly (AM): Thank you. In support of that will you encourage all the budget holding bodies to publish their average payment period in the forthcoming budgetary year and ensure that year-on-year we insist that there is a downward pressure on that average payment period to suppliers?

Boris Johnson (Mayor of London): That sounds like a very sensible suggestion and if it can be done without too much bureaucracy then, certainly, I think it is something that we should do, yes.

Richard Barnbrook (AM): Thank you very much, Madam Chair. Once again, Mayor Boris, I applaud you on the zero precept for London's boroughs into the GLA. Also, I hope other boroughs follow Barking and Dagenham, which again will have a zero precept on its Council Tax, a promise we put

forward last year. I do have some concerns, Mayor, that with these intended savings we are trying to put forward and, recognising the problems we are actually going through here in London and UK-wide, is it not a bit imprudent in such times of economic uncertainty to commit the GLA group to £1.2 billion of extra borrowing (page 75, Section 9.23). This seems more like a leaf out of Gordon Brown and Alistair Darling's [Prime Minister and Chancellor of the Exchequer] book rather than the Conservative stand.

Boris Johnson (Mayor of London): I just want to reiterate what we have saying earlier on about the importance of not allowing borrowing to get out of control in TfL and for TfL to maintain its AAA status and that is why it was essential to bear down on debts that might be incurred by TfL.

Richard Barnbrook (AM): Sorry, that is not answering the question. This is an extra £1.2 billion borrowing in your budget. As I say page 75, section 9.23. How can we justify that in the climate we are facing at the moment?

Boris Johnson (Mayor of London): Well, most of that borrowing is going to be incurred in the course of the development of Crossrail. I think that it is prudentially done and will deliver huge long-term benefits for this city, a 10% expansion in the transport capacity of London and I think it is entirely sensible and I am sure would be supported by most Members here.

Richard Barnbrook (AM): I appreciate what you are saying. Perhaps one final statement towards that. Can we be assured we are not going to go down the lines of Iceland again and Icelandic banks where it has rather kicked us in the backside borrowing from them last year, care of the outgoing Mayor? Is it not possible if we have to take this borrowing by doing it internally where we have more control of what is happening in our own country rather than trying to go for little prizes of some great interest rates abroad that we cannot govern? So the question is if we have to do the borrowing, can we do it internally rather than externally?

Boris Johnson (Mayor of London): Yes, generally speaking we do our borrowing from the Public Works Loan Board or the European Investment Bank (EIB) or we raise bonds. That is how we do it. In fact, the Icelandic controversy to which you refer was to do with a deposit that TfL made with Kaupthing with Singer and Friedlander, the UK arm.

Richard Barnbrook (AM): Thank you.

(ii) London Assembly

Jennette Arnold (Chair): We will now move to the next section, the London Assembly's portion of the GLA budget. It is normal for the Chair to put the first question. I haven't any questions. Members, any questions to the Mayor on that section? No? Thank you.

(iii) Metropolitan Police Authority

Jennette Arnold (Chair): Let us then move to the Metropolitan Police Authority section.

Len Duvall (AM): What does value for money mean for London's policing in your budget both this year and for the long term?

Boris Johnson (Mayor of London): I think, Len, you and I would not disagree with what we mean by value for money in reality and putting party politics aside, I think everybody here would want to see a system that helps us to get the police out there doing the job they signed-up to do. That is what I think Sir Paul Stephenson [Commissioner of Police of the Metropolis] will be very, very good at delivering across London. I think he is a guy who is going to get results and deliver value for money.

Len Duvall (AM): Are there any risks that need to be managed long-term in the budget or the direction of travel that you think you are going in? This does seem you know a one-year budget rather than a direction of travel. We get a flavour in other papers. So tell us about what you think the risks are in your budgetary thinking, long-term?

Boris Johnson (Mayor of London): I think, Len, you are trying to tempt me to go down the route that Mike [Tuffrey] was inviting me to go down just a moment ago, and that is to speculate about what is going to happen to revenues, to the fare box, to all sorts of things that are, frankly, variable and hard to foresee at this stage. I just think it would be foolish of us to speculate about what is going to happen to the London economy in the next year. I hope very much that the downturn will be considerably less severe than what all the gloomsters are predicting.

The key thing we have got to get right is we have got to make sure that when the Government comes back to the grant for London that they recognise that this is the centre of the UK economy and its police service needs to be properly financed to make sure that the streets are safe and it is an attractive place to live in and invest in.

Len Duvall (AM): Sorry, I was really working towards the police issue in terms of that. Can you then tell us about discussions that you may have had with either your advisers or with the Metropolitan Police Service about potentially adverse consequences of budget decisions? Not the intention; you are going down one direction and something else happens as a consequence of that. Have you had any discussions in terms of managing that part of the process of budget making?

Boris Johnson (Mayor of London): There are obviously risks at any time. Though I noticed the other day, I think I am right in thinking, that the police transferred £100 million into their reserves, which suggests to me that at the moment there is some flexibility. What we have got to do is make sure that we deliver value, act prudently and sensibly to ensure that if and when the risks that you are alluding to arise we are in a position to deal with them.

Len Duvall (AM): OK. In terms of policing issues - and it is really about police culture in terms of this budget - when we are using support staff replacing policeman on the frontline, how do we stop that reoccurring? What sort of mechanisms or what sort of discussions have you had with officials to try and put a block on that tendency to backfill with police officers doing some of those jobs that we are losing, really, in this budget? I am not talking about the custody suites. I am talking about back of office support staff on policing activities in borough. How do we stop them going back, reverting to type, which I think has been a challenge for all administrations?

Boris Johnson (Mayor of London): You mean, Len, how do we stop them backfilling, getting police officers to go back into backroom jobs? That is not what we want to happen and I do not think

that it is happening. The whole point - and obviously this is something that we will be discussing at greater length in the MPA - the objective of Project Herald is to get police officers out on the street by using staff that cost less. We do think - and I think this is common ground across all parties -and it is certainly the analysis that is shared at senior levels in the Metropolitan Police Service - that this is the way to go.

Len Duvall (AM): Can you tell me what you believe in terms of the efficiency and the effectiveness contribution that modernising the Metropolitan Police estate can make over the coming years?

Boris Johnson (Mayor of London): Well, I think if you hire 700 civilian staff, as we are doing, to do jobs that might otherwise be done by warranted officers who could be out there collaring criminals then you are going to make your police force more efficient and effective. I think Sir Paul Stephenson is the ideal man to drive that process forward.

Len Duvall (AM): OK, going back, when I say 'the policing estate' it is about the physical fabric of buildings that police crime fighters operate out of. It really goes back to the issue of borrowing and some of the pressures the Metropolitan Police budget will face. Are you prepared to consider - taking into account the issues around what borrowing means or not but in terms of where there are cases for efficiencies to be made - to increase borrowing within the Metropolitan Police Authority's budget?

Boris Johnson (Mayor of London): Well I would need to look at the arguments and I would need to look at the effects if that is going to happen that that is going to have on the operational effectiveness of the police.

Len Duvall (AM): So is that a yes, you will consider it?

Boris Johnson (Mayor of London): That is; I will look at it. We are going to be judged on the operational effectiveness of the Metropolitan Police.

Len Duvall (AM): Sorry, can I just get some clarification? Will you consider it for this coming budget or will you look at it longer term? Sorry, I think it is an important issue to do with efficiency in policing.

Boris Johnson (Mayor of London): Consider what exactly now?

Len Duvall (AM): The issue around borrowing to modernise, continuing the modernisation of the police estate if it is required?

Boris Johnson (Mayor of London): Well, I will certainly look at any prudential borrowing that may be necessary to deliver more efficiencies in the Metropolitan Police Service but I am not convinced that there are not savings and economies to be made such as Project Herald, which will help the police to get out and do the job that they want to do.

Len Duvall (AM): Can we then go back on to something that you may be able to help us with? There are a number of figures circulating about police numbers and I think my colleague, Dee Doocey, raised it a previous questioning this year.

Boris Johnson (Mayor of London): She did.

Len Duvall (AM): No doubt you are better briefed on it than you were then. I am in some confusion because I have got the transcript of the meeting that took place between your Deputy [Kit Malthouse AM] and the Assistant Commissioner [Tim Godwin, MPS] where he is trying to say, "Look the figures, there's a technical argument and when it all comes out in the wash everything will be all right and there'll be no reductions" and yet in the same breath says, "There are some serious issues here. I'm going to go off and talk to the Chief Execs in the boroughs' Crime and Disorder partnerships over a long period of time to talk about numbers of policing", ie they are going the wrong way. What is the story here? What is the direction of travel on police numbers in the coming year budgets then that you are proposing?

Boris Johnson (Mayor of London): OK. Well as I said repeatedly in our last conversation - I will repeat it again - the overall number of police officers is going up by 353 this year. It then goes down by two, then goes down more substantially, but the overall movement between now and 2012 is up by 25 in terms of warranted officers. Warranted officers, that is policemen and police officers.

Len Duvall (AM): What are the consequences on borough policing, particularly as it will be of concern to London local government? What do you think is going to happen to borough policing under your direction of travel this budget and consequent years?

Boris Johnson (Mayor of London): My advice is that borough policing will remain stable and although - and I think this is possibly the point to which Dee [Doocey] is going to come or perhaps you are going to come - it is true that there are reductions in the numbers in Territorial Policing (TP). There are increases in the Specialist Crime Directorate and Neighbourhood Specialist Officers. One of the reasons why there are reductions in TP is because there is a system whereby recruits are trained in the boroughs rather than with the TP. So that is one of the reasons for the changes. I do not believe there will be changes in the overall numbers in the boroughs.

Len, you and I have had long conversations already with the police about the issue of brute police numbers and for them the headline figure is not the issue. The numbers of police have gone up and as I have said, they are going to continue to go up. The number of warranted officers will go up by another 25. It has gone up from I think about 31,000 to 36,000 or 37,000 today. There has been a very substantial increase and that will continue. The issue for the police, if you talk to them, what they care about is how many of their officers they can get out on the street. They care about productivity. They care about how many people they can actually deploy. You and I both had quite an eye-opening conversation with senior police officers who will tell you, actually, that even though brute numbers are going up, and they will continue to go up, that is not their number one concern.

Len Duvall (AM): I think the issue here is about the direction of travel and transparency of where we are going on police numbers. If the police numbers are going to go down then we should say they are going down. If they are going to go up, they are going to go up. It is unclear from some of the information or the different information that we have received, which must be of concern to you. I take it as stable - the word you used was stable - I take it as being broadly the same. They may be doing different jobs but located on the frontline at borough levels.

Boris Johnson (Mayor of London): That is my information.

Len Duvall (AM): Right, well that is an issue and I think we can return to that maybe in future years and see where it comes from. I suppose finally my last question – because I understand you are not going to be at the MPA tomorrow – I will frame it in a budget way. If you believe the slur that you have said about police firearms officers¹, where in the budget are you going to address some of your concerns about their work?

Boris Johnson (Mayor of London): Look Len, I think you and I have corresponded in the past about this matter and I wrote back to you in robust terms. I do not believe I have uttered any conceivable slur of brave police officers. To try to revive in the context of a budget debate an argument that most Londoners think has been conclusively won I think is wrong. I do not think this is the moment for us all to get dragged back down into the controversy of Jean Charles de Menezes.

Len Duvall (AM): No it is not. That is not the issue. You are taking us there. I am taking you to the issue that you said, and I said where in the police budget are you going to address your concerns that you say that police officers are trigger happy. For the record, let us read into the issue about how trigger happy our police officers are. There were 14,000 calls made by the public, firearms officers were deployed on 2,712 occasions last year, which resulted in two human fatalities. I think that is a trigger happy quote and you need to be clear that that slur was perpetuated by members of your staff speaking on your behalf again this week.

All I am asking for if you believe that genuinely, somewhere in the budget you would address some of those issues if they were real concerns. Factually, I do not think the case has been made and I think, actually, you need to address some of those issues about those officers who do that work on behalf of the public. That is a problem for you.

Boris Johnson (Mayor of London): I think people will be amazed. I stand completely by what I said. I think it was unbelievable and catastrophic that a completely innocent man ended up with seven bullets in his head. Yes, I stand by every single word that I uttered in the course of my correspondence with the former Commissioner [Sir Ian Blair]. I think it pretty bizarre that you have chosen a debate on the budget to try to drag it up.

Len Duvall (AM): It is pretty bizarre that I am not able to ask the question direct to you tomorrow at the Metropolitan Police Authority because you think something is more important on some international junket that you have criticised others for doing in the past and those Members and you cannot turn up to the Police Authority to answer those questions.

Boris Johnson (Mayor of London): Well, I am delighted I have been able to answer your question. If that was really your best question for tomorrow's meeting of the MPA then, frankly, I do not think that democracy has been particularly ill-served.

Richard Tracey (AM): Mr Mayor, one of the most applauded commitments you made during your Mayoral campaign was about visibility of the police on the streets. I think probably in that rather long exchange with Mr Duvall you have certainly talked about police numbers. Can you give us an ongoing commitment on visibility to make sure that the Safer Neighbourhoods Team (SNT) offices are more and more visible on the streets? In other words, the shop front premises rather than being hidden

¹ BBC World at One, November 2007 – Boris Johnson: "I think the real reason Jean Charles de Menezes got killed in the Stockwell Tube was not just because the police were too trigger happy, although I think you could argue that they were..."

behind walls and gates and so on. Can you give us that ongoing commitment which is rather important to the London public?

Boris Johnson (Mayor of London): It is a very good point, Dick, and I think it is one that the police take very seriously. Obviously a huge part of what the SNTs do is deliver visible reassurance, and you cannot do that if you cannot find them.

Richard Tracey (AM): Yes. The second question I want to ask you is about the Dangerous Dog Unit which has been set up now, I believe, by the MPS. How are you going to fund that within the resources? It is obviously something again that is very important to Londoners in many parts of the capital city.

Boris Johnson (Mayor of London): It is an important issue and there is a real problem with dangerous dogs. It is a growing phenomenon. That is why I thought it was important to take a look at the issue and that is why Kit [Malthouse] has been leading on that. As for the details of the funding of the unit, I am afraid I am going to have to revert to you, but whatever it is I am sure it will be well worth the expense.

Richard Tracey (AM): Thank you.

Richard Barnbrook (AM): I am obviously correct in understanding, Mayor, that it is 25 officers for the Metropolitan Police Service over the three-year period. Would you consider that to be sufficient in light of proven records in the past that where we lead into economic problems not only did domestic violence go up, street violence goes up, anxiety goes up, aggression goes up. Official figures here from the Government: knife crime - I hate to bring this back in again - has gone up from 269 - fatalities - to 270. That is UK-wide. I do not think we need to go into the press coverage in London of how knife crime is going up. Thank goodness gun crime has gone down from 59 to 53 but even 59 murders across the country - and I hate to actually add how many are actually in London - is just absolutely horrendous. I do not believe any Member here can really truly believe that 25 more police on the streets as is indicated on page 6, paragraph 5.16, is sufficient over three years. Is there no way that we can increase that amount of policing on our streets in London without really drastically attacking any budgets or even borrowing?

Boris Johnson (Mayor of London): Well, I just want to go back to the point I was making earlier about this is not just a numbers game. This is about visibility. This is about police being out there giving reassurance. Actually, I think if you look at what the police are doing at the moment there are some encouraging signs. Some types of crime across London have been on a pretty steady downward path and I think that is a great thing. We should be trying to get that message across because at the moment there is a gigantic disconnection between the data as the police report them and the achievements of the police in delivering cuts in crime and people's feeling of security. We need to build up people's feeling of security, as well.

Richard Barnbrook (AM): I appreciate that. One last thing on this: why is it then at the Gaza demonstration a couple of weeks ago our police force could not stand ground against a riot which actually forced them back by what appeared to be an Islamic mob running riot through London. Our police could not stand their ground and they were forced back. That does not indicate to me we have sufficient police force to actually protect the community and the society as a whole.

Jennette Arnold (Chair): Mr Barnbrook, thank you for that. You cannot get an answer, as usual, because you have run out of time, so can I have questions from Dee Doocey?

Dee Doocey (AM): Thank you. I would like to follow up on what Len [Duvall] was saying and also refer you back to our discussion at the December MQT about police numbers. First of all, you said that you are going to recruit an extra 700 civilians that would free-up police. I do not quite understand how that is going to work when you are also going to reduce police numbers by that. Secondly, there is no doubt that territorial policing, which is borough policing, is reducing by 883 between now and 2012. If that is reducing by 883 and 600 of these are Project Herald what I suggest we do is leave Project Herald to one side, because I am not going to pursue that today. I will come back to it again. So let us just concentrate on the other 300, the 300 police that you are going to cut from the boroughs. How can you say on the one hand that there is going to be additional resources for police on the frontline in order for people to feel safe and on the other hand cut frontline policing by 300 or 283? Allied to that you have also got an increase of 296 police when you talk about your overall 25 increase, which are directly related to the Olympics and nothing to do with this budget. So aren't you just double counting?

Boris Johnson (Mayor of London): No, I think there is an overall increase in police numbers of 25.

Dee Doocey (AM): Correct.

Boris Johnson (Mayor of London): Thank you. I think that is the first time you have conceded that.

Dee Doocey (AM): Yes. No, no, no, I have not.

Boris Johnson (Mayor of London): I think that counts as a breakthrough. Unless I misheard, I think you have just said 'correct.'

Dee Doocey (AM): I did at the last meeting, if you check the transcript. I said I am not arguing the 25. You need to listen. The 25 has never been in doubt. We are talking about the 883.

Boris Johnson (Mayor of London): OK, I think we are agreed on the basic idea that the overall number of warranted officers, policemen and women, is going to keep going up. Your concern - very properly - is about borough policing and the overall numbers in TP. My information is that partly because of the redeployment of officers into other directorates - SCD, SO and others - and partly because of the phenomenon that I described earlier on of training recruits in the boroughs, the net effect on borough policing will be stable, as I said earlier on to Len [Duvall]. So I think that we should be stable; in other words, there will not be an appreciable reduction.

Dee Doocey (AM): If there is a decrease of 883 how is that stable? Could you just explain that to me?

Boris Johnson (Mayor of London): I do not believe that you will see a depreciation of the kind that you describe because of the factors that I have just explained - the increase in other directorates and the deployment of recruits in the boroughs.

Dee Doocey (AM): Sorry, Mr Mayor. In the policing plan there is a decrease of 883.

Boris Johnson (Mayor of London): Also, I think most policemen listening to this conversation and most members of the public would think what they really want is to see police men and women out there on the streets and that is why I think Project Herald and the recruitment of 700 civilian staff is completely the right thing to do. I hope it has the support of everyone in this Assembly including you, does it?

Dee Doocey (AM): There is nothing wrong with Project Herald but it is not going to put the police on the street because you are cutting that number of police.

Boris Johnson (Mayor of London): No we are not.

Dee Doocey (AM): Yes you are.

Boris Johnson (Mayor of London): No we are not.

Dee Doocey (AM): Yes you are.

Boris Johnson (Mayor of London): No we are not. No, no, no, no, no.

Dee Doocey (AM): Yes you are. Right, the figures in the police plan cut borough policing by 883. Now within that there is undoubtedly between 550 or 600 depending on which figures you believe that are directly relevant to Project Herald.

We have an additional problem. I mean, call me suspicious, but since I have raised this the budget figures for tomorrow [MPA Board meeting] for all of the police and all the budgets are ten blank pages. They have all just been taken out of the police plan. Now did this happen because you asked them to take them out because you were not happy with the figures?

Boris Johnson (Mayor of London): Dee, I am not aware of any problem with the photocopier.

Dee Doocey (AM): No, no, no. They are deliberately blank.

Boris Johnson (Mayor of London): I cannot speculate as to why you have a blank copy.

Dee Doocey (AM): What I am asking is did you as Chair of the Metropolitan Police Authority following our discussion about police numbers ask for both the budgets, the ten pages of budget and ten pages showing the police numbers, to be taken out for the meeting tomorrow?

Boris Johnson (Mayor of London): Of course not, of course not.

Dee Doocey (AM): OK, fine. Well I do not think we are going to agree on the figures so I think probably the best thing to do -

Boris Johnson (Mayor of London): Well no, we did agree. You agreed. You cannot withdraw your agreement now. That is not fair. We agreed.

Dee Doocey (AM): I am not withdrawing the 883 that you are reducing from frontline policing. We will leave it there.

Boris Johnson (Mayor of London): No, no, no. I think it is very wrong of you at the end of a nice conversation to withdraw your agreement.

Kit Malthouse (AM): Mr Mayor, would you agree with me that a huge amount of confusion is caused by the inclusion in the Territorial Policing of police trainees who are either posted at Hendon or indeed are training in boroughs and that although it may look like there is a reduction in police numbers the truth is actually what it is is a reduction in the number of police trainees who are training in the boroughs because of the flattening off in the recruitment curve and that a combination of that plus Project Herald means that within Territorial Policing there will be more police officers on the street doing policing and fewer behind desks and that, therefore, the net effect will be beneficial to Londoners?

Boris Johnson (Mayor of London): I not only agree with that but I am delighted to see that Dee agrees with that, as well. Obviously, Kit, comrade deputy of the police, you have put far more succinctly what I was struggling to get across just now to the Assembly. That is the reason why I think Londoners should have confidence in the overall direction of travel of police numbers. They are going up. The overall number of warranted officers is going up.

Dee and I are ad idem on that but - now this is the key point to get across - that is not the number one statistic. That is not the main thing and Len [Duvall] and I are in agreement on that because he and I have had conversations with senior policemen and women about that. The key thing is productivity. Our job, the job of Sir Paul Stephenson, the new Commissioner, is to drive up police productivity and that is what he is going to do.

(iv) London Fire and Emergency Planning Authority

Navin Shah (AM): Good morning, Mr Mayor.

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

Navin Shah (AM): How do you define frontline services for Fire Authority?

Boris Johnson (Mayor of London): Well, clearly we are talking here, Navin, about men and women involved in fire fighting in the fire stations.

Navin Shah (AM): Well, it is about quality of service and how it is enhanced, not only maintain the high quality that we have. I would like to hear more. Let me try and help you. The vision and priorities that you reckon in your view that the Fire Authority requires?

Boris Johnson (Mayor of London): They should be fighting and preventing fires.

Navin Shah (AM): Well surely it can do more than that?

Boris Johnson (Mayor of London): Well you are rather challenging my imagination here, Navin.

Navin Shah (AM): Well I am indeed.

Boris Johnson (Mayor of London): I would have thought that if I became a fireperson, a firefighter, my number one priority would be to fight or to prevent fires.

Navin Shah (AM): I am clearly not going to get the response. Let me go to a specific question.

Boris Johnson (Mayor of London): Well hang on. This is a crucible in which new ideas can be forged and this is where London can be elucidated on new thinking. Dealing with all sorts of emergencies, dealing with counterterrorist threats, all sorts of things.

Navin Shah (AM): Well yes, there is the issue about the emergencies, counterterrorism. There are very critical issues that have been picked up the Audit Commission recently in terms of national fire services to do with the problems with equality and diversity which is a big issue within the Fire Authorities up and down the country. A question about health and safety of the operators which do in the end affect the frontline services. That is where I was trying to get some idea of where do your priorities lie? What is your vision for London's Fire Services which are amongst one of the best in the country, if not the best?

Boris Johnson (Mayor of London): Well, I think that we should have a Fire Service that is renowned for its speed and efficiency in tackling fires, in preventing fires, in giving Londoners the confidence that if and when, heaven forbid, there should be a terrorist attack then they will be amongst the emergency services that deal promptly with it and do credit to Londoners. Of course the Fire Service has many other wonderful aspects to it and I might cite something that I think is a particular brilliant scheme of getting kids that are hard to reach, difficult kids to get involved in becoming recruits to the Fire Service. I have seen wonderful schemes that encourage that and I would like to support that. If you said to me, "Is that the priority" - because that was your initial question - "Is that the priority of the Fire Service?" Then I would have to say, "Well no, the priority of the Fire Service is to prevent and fight fires."

Navin Shah (AM): Let me move on to a specific question which does relate directly to budget. You quite rightly talked about moral obligations we have in this difficult financial time. Do you support additional allowances for Assembly Members on Fire Authority? Do you also prescribe to increase special responsibility allowances for both the Chair and Vice Chair of the Fire Authority?

Boris Johnson (Mayor of London): Allowances for the Chair and Vice Chair? Listen, I am generally in favour of restraint and insofar as I have a vote in these things, insofar as I am able to direct it I will direct restraint.

Navin Shah (AM): Well your Group, Mr Mayor, in the Fire Authority is aspiring not only to have, as I understand, increased special responsibility allowances for the Chair and Vice Chair but, indeed, for the Assembly Members on the Fire Authority. Is this something that you support personally given the moral obligations you mentioned particularly in these difficult financial times?

Boris Johnson (Mayor of London): Well as I have said to you, Navin, insofar as I am able to direct these things I am in favour of restraint.

Navin Shah (AM): So you do not support it?

Boris Johnson (Mayor of London): I am in favour of us all trying to set an example and being as restrained as we can, yes.

Navin Shah (AM): One final question. Savings of nearly £2 million in excess of what you require for your freeze in precept, which we support, are being promoted by your Chairman and group in the Fire Authority which can and will impact the frontline services. Is this something that you support?

Boris Johnson (Mayor of London): I do not believe that that is the view of the officers of the Fire Service and I certainly would not support any reductions that impaired the operational effectiveness of the Fire Service.

Navin Shah (AM): I would challenge that a series of cuts, savings proposed, which would give us that nearly £9 million worth of savings will indeed impact not only in short term but long term the frontline services and that is something which will be regressive step.

Boris Johnson (Mayor of London): You are right to lobby and you are right to make that point in my view but it is not my information that the officers of the Fire Service actually think that those cuts will impair their frontline services, nor would I want them to.

Navin Shah (AM): Thank you.

Richard Tracey (AM): Mr Mayor, I think everybody would agree that the London fire-fighters have the biggest task in the country in this regard and yet, as I understand it, the grant to LFEPA is actually on the floor and regularly reserves have to be dug into to fund the operation. Can you from your office get through to the Government that LFEPA really requires better resources and certainly when one compares what the shire counties are getting for their fire fighting needs.

Boris Johnson (Mayor of London): I certainly think you are right to point out that LFEPA is on the floor, so to speak, and that we should lobby hard for our emergency services in this city. Len's [Duvall] gone but to get back to the point that he was making earlier on about long-term risks, the single biggest risk that we have is that we will be vulnerable to the vagaries of funding from central Government. All this discussion we have been having so far today, the sums we are talking about are, frankly, chickenfeed by comparison with, for instance, the £1.4 billion that Tube Lines could be billing us for and which it is, in my view, the Government's duty to pay. That is the big funding that we should be arguing for. London should not be paying the price for the ill-thought out Public-Private Partnership (PPP) and the disaster of those contracts. These were dreamt up by the Treasury. They were dreamt up by the Labour Government. The Labour Government should be supporting London as we try to resolve that problem and I will not go back to Londoners either through fares or the precept or any other means to address that issue. That is something for people on this side of the horseshoe to bring up with their political masters.

Richard Tracey (AM): Thank you.

Tony Arbour (AM): Given the zest and enthusiasm displayed by the Chairman and the other majority Group members of the Fire Authority despite the fact they are in a minority as far as the total membership of the Fire Authority is concerned, given their great success in actually making efficiency

savings even greater than that which you demanded, do you not think it would be a good thing if the other members of the GLA family were to attend a seminar given by my esteemed colleague to show how it ought to be done?

Brian Coleman (AM): That was not in the script.

Tony Arbour (AM): Moreover, will you commend the line which is being taken by the Fire Authority in saying that equalities ought not to be a discrete function of the Functional Bodies but ought to be mainstreamed and in doing so it will be possible to reduce the number of equality officers which are scattered throughout the GLA family?

Boris Johnson (Mayor of London): Well, on your first point, I certainly think you would have to take the temperature around the room and invite people to take part in this jumbo Coleman-fest. I think it might be highly enjoyed and beneficial for everybody. As for your second suggestion, I think it very, very important that we get across the message, particularly today as we appoint a new Commissioner for the Metropolis, that we take very, very seriously in London our job of building trust and support in all communities. I want to see that happen in the Fire Service as much as in the Metropolitan Police Service.

(V) Transport for London

Caroline Pidgeon (AM): I would like to ask about some very specific proposals for your budget. The East London Line (ELL) extension will create fantastic regeneration for huge parts of South London at a time of economic downturn. You have stated clearly you are committed to the project. Will you find the £15.5 million in your budget that is urgently needed to close the deal with the Department for Transport (DfT)?

Boris Johnson (Mayor of London): Caroline, we are on the threshold of greatness here with the East London Line and, obviously, I hope to be able to bring you good news within a reasonable delay. We are almost there.

Caroline Pidgeon (AM): I understand the offer that has come from the Department. If there is a gap will you put that in your budget for the year to ensure this vital scheme goes ahead?

Boris Johnson (Mayor of London): I am not going to comment on the way we are going to finance it but the negotiations are about to reach a juddering climax which will be, I think, of great benefit to London.

Caroline Pidgeon (AM): So are you telling me that this scheme will definitely happen one way or another over the coming months?

Boris Johnson (Mayor of London): I am telling you that I am confident that we are about to see a staggering denouement of these negotiations and that it will be very much to the benefit of London.

Caroline Pidgeon (AM): One way you might fund any possible gap that there could be that you might need to put in is by tackling the issue of fare evasion, which a staggering about £70 million a

year is lost through this. It is not just down to bendy buses before you go on to that. It is across the whole network.

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

Caroline Pidgeon (AM): Are you willing to budget to put more revenue inspectors in place in your budget to try to cut the losses by about, say, £25 million in the next year?

Boris Johnson (Mayor of London): As I remember we are certainly increasing the number of revenue protection inspectors. I would have to get back to you with the exact figures. That is one of the reasons why it was so important to increase the number of Transport Police Community Support Officers and I am sorry to be soaking up your time but it is vital that we get these points over. I absolutely agree with you about fare evasion. It undermines people's confidence in the whole system when they cough up for their bus ride or whatever and they see someone else just swing on without paying. It quite frankly undermines people's belief in the rule of law and society order and fairness generally.

Caroline Pidgeon (AM): It is good you are putting more money in there. I welcome that.

Boris Johnson (Mayor of London): I am totally with you. You were kind enough to mention the bendy buses. They have been particularly prone to that problem and it is one of the reasons why they are being phased out.

Caroline Pidgeon (AM): Yes, they have been one of the issues. In parts of London they are known as the free bus. I am aware of that. Can I move on to another issue? In terms of helping Londoners in this economic climate will you consider bringing in a one-hour ticket for buses, which happens in Paris and other cities, because it can be quite expensive if you do a number of short bus journeys? Will you consider that as part of your budget to ensure that people who make those sorts of trips get a fairer deal?

Boris Johnson (Mayor of London): It has been raised with me and, indeed, I want to look at that. It is a very, very interesting idea.

Caroline Pidgeon (AM): Fantastic.

Boris Johnson (Mayor of London): I am not promising, Caroline, that I am going to deliver it overnight. I do not care who gets the credit for it if it works for London.

Caroline Pidgeon (AM): No, I welcome you considering it and I hope you will consider a number of our ideas we have put forward today. Another issue is the issue of encouraging walking. Are you planning to put money in and work with Westminster City Council and the New West End Company to develop plans to turn Oxford Street into a pedestrian precinct, which would really help the economy in that area but also encourage people to walk?

Boris Johnson (Mayor of London): As far as I am aware, even NVEC (the New West End Company), or rather actually particularly NVEC, are not promoting the idea of a pedestrian-only precinct. That is not their vision.

Caroline Pidgeon (AM): What about you? Will you be putting money towards pedestrianising?

Boris Johnson (Mayor of London): What they are interested in doing and what I am very much interested in doing is improving the look and feel of Oxford Street and encouraging walking in Oxford Street and making it much more of a shared space area. Obviously, I do not want to get into the game of writing out a massive cheque now to a bunch of, generally speaking, extremely rich retailers but I think there is scope to do something fantastic with Oxford Street. We should be looking at it and it will certainly have my support. Quite how much financial support we are able to give it is another matter.

Caroline Pidgeon (AM): Thank you.

Jenny Jones (AM): You were very mean earlier about our Green budget amendment.

Boris Johnson (Mayor of London): I was mean?

Jenny Jones (AM): I would say uncharacteristically mean. I expect you to be full of good humour and good manners.

Richard Tracey (AM): Even when you accuse him of lying?

Jenny Jones (AM): I think there are some very good ideas in here and I think that one of them in particular might just appeal to you because it is relatively little money compared with the TfL budget and that is the whole idea of increasing the accessibility and the step-free access to buses. In our budget we have doubled the budget from £5 million more or less to £10 million. I am just saying if you went ahead at this sort of speed you would actually have it all completed by 2012 and as we are all getting older - and some of us faster than most - I thought this might be a very good thing to actually complete before the Olympics.

Boris Johnson (Mayor of London): Hang on, Jenny. Are you talking about having step-free access on double-deckers?

Jenny Jones (AM): No.

Boris Johnson (Mayor of London): You know that is a big ask. What is your plan here?

Jenny Jones (AM): I would be interested in your innovative ideas on that though; lifts on buses or something! No, what I am talking about is actually being able to get on to buses easily. So whether you have got push chairs and heavy shopping or if you are disabled or if you are just old, just being able to get easily on. There is a programme for it in TfL. There are only half of the bus stops done yet.

Boris Johnson (Mayor of London): The bus stop? As far as I know all buses leaving TfL garages should have a working disabled ramp.

Jenny Jones (AM): Well, first of all I am talking about the pavement, not the ramp. Secondly, the ramps do not always work anyway. There is a programme at the moment in the TfL budget to

improve access to buses by creating step-free access at bus stops. There is less than half of it completed and there is not very much money in the budget.

Boris Johnson (Mayor of London): OK, so what you are saying to me is, "Come on then, put more money into making the bus stops themselves more accessible"?

Jenny Jones (AM): Yes.

Boris Johnson (Mayor of London): It is certainly something we would want to do but there are not unlimited funds and one of the difficulties we are particularly having at the moment is trying to make the Tube stations in particular step-free and it is a real grief to me.

Jenny Jones (AM): That is very expensive though. This is actually cheaper and obviously bus ridership is much, much higher than Tube ridership. I am just trying to get you to admit that there is something good in our budget; that is all.

Boris Johnson (Mayor of London): I see, by the way I could not hear what you said earlier on but if you said that I was being in any way impolite about your budget, I did not mean to be impolite about your budget at all. I will look at the suggestion. I will certainly look at and TfL will look at your point about improving disabled access at the bus stops themselves because I know it is a priority.

Jenny Jones (AM): Thank you.

Valerie Shawcross (AM): Just a bit of a cost benefit analysis of your work in transport this year. So isn't it true we are going to lose something between £50 million to £70 million a year income from the removal of the western extension of the Congestion Charging zone when you do that?

Boris Johnson (Mayor of London): Well, we will not be --

Valerie Shawcross (AM): These are easy questions by the way.

Boris Johnson (Mayor of London): Thank you. We will not lose it this year, obviously, but clearly there will be a revenue impact. It certainly will be something of that order.

Valerie Shawcross (AM): OK, moving on.

Boris Johnson (Mayor of London): For the benefit of people in Scotland who are tossing and turning late at night watching this in their hotels, this is something that was of a high priority for the people of London because it was imposed on them without proper democratic consultation.

Valerie Shawcross (AM): Mr Mayor, we have had that debate.

Boris Johnson (Mayor of London): I know but there are many people --

Valerie Shawcross (AM): I am just trying to remind ourselves of a few facts, if I may.

Boris Johnson (Mayor of London): -- people who will not know about the Western Extension Zone, they might want to be elucidated.

Valerie Shawcross (AM): We just wanted to remind ourselves of a few introductory facts, if I may, Mr Mayor, thank you. According to TfL figures just published, you are going to be spending an additional £2 million a year turning the 38 bus from a bendy route into a double-decker; so that is £10 million over the life of one bus contract alone. True? False?

Boris Johnson (Mayor of London): It is where under any circumstances we in London --

Valerie Shawcross (AM): Yes? No?

Boris Johnson (Mayor of London): Well I would have to get back to you on the exact figures.

Valerie Shawcross (AM): It is published so this is an easy warm-up.

Boris Johnson (Mayor of London): I do think that there can scarcely have been a programme that was more democratically discussed and there can scarcely be a population on earth that has not heard about the debate about bendy buses and the need to phase them out.

Valerie Shawcross (AM): Although people did not, perhaps, know you would be paying an additional £2 million a year for one bus route there. Just checking our facts out, Mr Mayor.

Boris Johnson (Mayor of London): Can I just explain why I think your construction of an additional £2 million is not correct?

Valerie Shawcross (AM): It is TfL published figures. The contracts have now been published.

Boris Johnson (Mayor of London): Under any circumstances I do not think we can conceivably continue with 8,300 diesel-fuelled buses in London pumping out pollution, pumping out particulates in the way that they are. Whatever happens we are going to have to change our bus fleet --

Valerie Shawcross (AM): Mr Mayor.

Boris Johnson (Mayor of London): -- I think when Londoners look at the opportunity to get rid of a completely hostile vehicle such as the bendy bus and replace it with a cleaner --

Valerie Shawcross (AM): Sorry, Mr Mayor, can I just move on checking the facts?

Boris Johnson (Mayor of London): -- greener vehicle they will jump at the chance and it will be an economy.

Valerie Shawcross (AM): Mr Mayor, it is not actually greener to run double the number of actual buses on the road, but can I just move on. I had a series of questions I was hoping you could answer. I am just reminding us of some facts relatively quickly. Isn't it also the case that you have told the Government you are not going to be taking up £350 million worth of [Private Finance Initiative (PFI)] credits for the Thames Gateway Bridge (TGB), despite that being a very popularly supported project including by the local councils, yes?

Boris Johnson (Mayor of London): Well I think that the PFI credits should be transferred. I am not going to give up the £350 million, no. I think they will of considerable benefit to London.

Valerie Shawcross (AM): PFI credits --

Boris Johnson (Mayor of London): I just happen to agree with the planning inspector who said that the TGB was ill thought out and environmentally destructive - and I see Darren [Johnson] nodding - I happen to agree with the planning inspector that it was the wrong project in the wrong place and that we should transfer the PFI credits as we have discussed many times.

Valerie Shawcross (AM): Mr Mayor, PFI credits are not transferable. They are always attributed to the particular project.

Boris Johnson (Mayor of London): That is not true. In this case they certainly are transferable and they should be transferred.

Valerie Shawcross (AM): Are you aware that in all of this the annual cost of the bus pass has risen by £32 from £520 to £552, which is equivalent to a 10% increase on the GLA core precept band D. What use is it to the people of London, Mr Mayor; if you freeze their Council Tax and yet mismanage TfL finances so badly that you have to put up their bus pass by a figure which is equivalent to 10% on the GLA precept?

Boris Johnson (Mayor of London): I do not want to be in any way rude but we are now going over ground that we have been over many, many times before. The fare increases were not only set in train by the last Mayor and only abandoned by him in a fit of political hysteria and cowardice as he approached his inevitable extinction, they were vital for dealing with the gap that was appearing in TfL's finances and which it was necessary to close for the good of those finances in order to allow us to invest in projects that you would love to see paid for in London.

As I say, of course no Mayor wants to put up fares. All I would say is that fares have gone up by less in London than in comparable cities; that they have gone up far less on our networks than they have on the National Rail networks. At every stage we have offered Londoners ways of alleviating those fare increases by a 24-hour Freedom Pass for older people, by the cut price fares for people on JSA and Income Support and, of course, people under 18 in full time education have free travel. So we are doing absolutely everything we can to alleviate the impact of a fare increase that was I am afraid necessitated by the budgetary position we found.

Valerie Shawcross (AM): I have been looking at the TfL Finance Committee papers, which your office kindly sent me, so thank you for that. Yesterday it was reported to TfL Finance Committee that there was an underspend in the current year-to-date of £375 million. I would have thought - and this is my guess - that by the end of this financial year that would mean you have at least got a £400 million underspend by the end of March 2009.

Let us talk about the projects. One of the projects you have dumped and abandoned, and I think probably one of the reasons why there is such an underspend building up in TfL, was of course the Crystal Palace extension to the Croydon Tramlink which would have cost £170 million. You could indeed have covered it from the underspend that you have created this year by slowing down other projects - Elephant and Castle - walking away from Parliament Square, walking away from the

development of Docklands Light Railway (DLR) to Dagenham, walking away from the Cross River Tram and yet, Mr Mayor, as my colleague, Caroline [Pidgeon], has just pointed out, we are biting our nails waiting for £15.5 million to be sorted out so we can have a new station at Surrey Canal Road on the East London Line phase 2 and that project, which is now hanging on a thread and should have been agreed by Christmas, signed off. Do you think, Mr Mayor, that perhaps you are not putting enough focus into real time management of popular supported and necessary projects?

Boris Johnson (Mayor of London): Come on, come on. You are going to see over the next eight to ten years a massive programme of investment in London transport which is going to increase the transport capacity of this city hugely. We are pushing ahead on a huge number of fronts and as I have just told Caroline [Pidgeon], I am very, very hopeful that we will be able to go ahead very shortly with the ELL 2 and I think it will be of great benefit to London.

As for some of these there is an important point of vocabulary that needs to be clarified: the projects that you mentioned, the Cross River Tram which you say we should have paid for, this was going to cost £1.3 billion.

Valerie Shawcross (AM): How much, Mr Mayor, is Boris Island Airport going to cost and how much Mr Mayor is the Routemaster bus going to cost? How much is the Park Lane underpass going to cost? Why are you focusing on madcap projects that you will probably never see to deliver and certainly Londoners do not want to pay to see when you are failing to focus on necessary, serious, well-planned, well-supported, well-engineered projects some of which are hanging on a thread now? We would much rather hear you talk about planning Crossrail 2 than Fantasy Island Airport. I am sorry, Chair; I should finish there.

Boris Johnson (Mayor of London): By the way, I am all in favour - and it will be part of the vision for London Transport post 2017 that we are going to be bringing forward - I am certainly in favour of Crossrail 2 and I am in favour of protracting the Bakerloo Line. I think it is absolutely crazy as we discussed in our last meeting that we have not worked harder to get the Northern Line into Battersea. There is a massive opportunity for expansion there. You will see what we have done with the DLR, the extension from Woolwich Arsenal to Docklands, which I think is -

Valerie Shawcross (AM): I am sorry, that your predecessor did.

Boris Johnson (Mayor of London): - a fantastic project which I was proud to open for the second time. As you will know and I think you would acknowledge, I am a man of infinite generosity and if other people want to turn up and open things across London.

Valerie Shawcross (AM): Chair, he is using up time.

Boris Johnson (Mayor of London): I have absolutely no sense of jealousy about that. Can I just answer the substantive insofar as there was a crouton of sense in what Val was saying. I want to try to address it.

Richard Tracey (AM): Mr Mayor, you are well aware of my views on the historic waste of TfL management and it is a view, as you know, shared by a good many of the London borough leaders and a number of commentators. I wonder if you could say whether you along with your appointment

of Daniel Moylan as your Deputy Chair and Peter Anderson as the Chair of the Finance Committee, whether together you have identified some other areas of waste in TfL already that could be fed back to delivering the service we want?

Boris Johnson (Mayor of London): Yes, I have got a great deal of confidence in Christopher Garnett and Daniel Moylan as the Deputy Chairs of TfL and I think Peter Anderson is doing a fantastic job on the Finance Committee. I have no doubt that they will continue to look for value from the TfL budget. Peter Hendy [Commissioner, TfL] has outlined a programme to find £2.4 billion of savings. That is going to be a real project. I am sure he is going to deliver it.

Richard Tracey (AM): Can I make one suggestion which has been made to you before and that is the PPP Arbiter ought to be taking a close look at Metronet alongside Tube Lines because it does seem to us that there could be further economies delivered there? There is some waste perhaps that is present. Would you consider the PPP Arbiter doing that job?

Boris Johnson (Mayor of London): Yes, I think the PPP arbiter should be being much more ruthless in exposing the detail of the Tube Lines bill. Line by line we need to be going through this stuff and asking, "Is London getting value?" That is what he should be doing and I certainly would like to see that happen. The basic job that we have to do with Metronet now is to get rid of all the duplication. You had one set of people basically monitoring the activity of another set of people and there is a great deal of scope for removing a tier of bureaucracy that was created by the PPP structure.

Richard Tracey (AM): Now TfL is in charge of both the Crossrail Project and Metronet, what sort of mechanisms are you putting in place to ensure proper scrutiny of all that and proper accountability?

Boris Johnson (Mayor of London): I think that the current structure relies very heavily on the Arbiter. I believe that we should be having a much tougher scrutiny regime directed by the TfL Board and that is what you are going to see.

Richard Tracey (AM): There are a few of us who worry that perhaps TfL does not have a sufficient risk assessment committee. Will you be thinking of putting that in place within the TfL Board operation?

Boris Johnson (Mayor of London): Well I think that if you look at what Peter Anderson is doing in the Finance Committee then you will see that he is demanding a very heavy and detailed scoping of the risks involved in our projects.

Richard Tracey (AM): Thank you.

Jennette Arnold (Chair): OK, before I call Mr Evans, Mr Mayor, you have mentioned the position of a new Deputy Mayor at TfL. We had a conversation about this yesterday.

Boris Johnson (Mayor of London): The Deputy Chair.

Jennette Arnold (Chair): The Deputy Chair. You have indicated to us your intentions in terms of appointing him and he is your nominee.

Boris Johnson (Mayor of London): He is my nominee. Correct, I wish to nominate.

Jennette Arnold (Chair): So will you put on record his correct status? Will you also put on record that he is not currently in this position?

Boris Johnson (Mayor of London): Thank you. He is my nominee.

Jennette Arnold (Chair): He is your nominee. He is subject to a confirmation hearing by this body and if we could all just use the correct words that would be just so helpful.

Boris Johnson (Mayor of London): I am grateful to you, Jennette. Thank you.

Jennette Arnold (Chair): Thank you.

Roger Evans (AM): Mr Mayor, given that you are accused by Ms Shawcross of mismanaging the Transport for London budget, do you share my astonishment that today the Labour Party are not putting down an alternative budget and letting us know how they would manage it better?

Boris Johnson (Mayor of London): I think there is a lot more support and a lot more confidence on the other side of the horseshoe than they sometimes let on. If I had to psychoanalyse them I would say that they are conflicted. I would say they are in a state of conflict. They see so much to approve of, so much to support, so much that they like. So many projects that they want to get behind and yet here they are, put into the position of being forced by a constitution to oppose me when I think in reality their instincts are to go with the will of Londoners, to go with the positive programmes we are putting forward. If I am honest, I think often these distinguished and well meaning public servants place themselves under a great deal of psychological strain in trying to find things to disagree with. They have all my sympathy and compassion.

Roger Evans (AM): They do create the impression of a group of people struggling to contain their enthusiasm this morning, actually. The Liberal Democrats are suggesting in their alternative proposal, such that it is, that we have an inner London Low Emission Zone (LEZ), so a further Low Emission Zone. Will you oppose an extra burden on business at this difficult time which will actually do damage?

Boris Johnson (Mayor of London): No, Val, I will not hide it from you. We all have conflicts, as the narrator might say at the end of *Desperate Housewives*. We all have conflicts. Some of us resolve them. Obviously there are issues. There is a revenue-raising possibility that, obviously, might be very attractive to someone who did not see the overwhelming imperative to lift burdens from people during a recession. That is what we have got to do. Where our voters, our constituents, businesses that will keep this city going are going to be facing tough times. It really is our job in any way we can to help them.

Steve O'Connell (AM): Mr Mayor, returning to the capital issues that Valerie [Shawcross] was talking about earlier, whilst I understand that you inherited a whole catalogue of unfunded capital projects raising expectations in the public, I cannot overstate the disappointment to the good people of Croydon and North Croydon at the postponement, shall we say, of the extension of the Upper Norwood Tram. Will you, Mr Mayor, join me in lobbying Government for increased funds for this much-needed route?

Boris Johnson (Mayor of London): Of course I understand people's feelings in Croydon and we will do absolutely everything we can to make sure that Croydon gets the investment in transport that it needs and the improvements that it needs.

Steve O'Connell (AM): OK. So therefore in the meantime - because this could be a long game - will you work with the predominant borough, which is Croydon, to work up some, perhaps, transport compensatory measures to support the people of North Croydon.

Boris Johnson (Mayor of London): Yes, Steve, of course we should, of course we should. Yes.

Steve O'Connell (AM): Thank you, Mr Mayor.

Andrew Boff (AM): Mr Mayor, TfL will be asking each of its commercial tenants this year for an average £580 extra to raise the £700,000 increase that they are looking for from TfL. Bearing in mind your declared support for small businesses is this not the year to forgo that increase?

Boris Johnson (Mayor of London): Andrew, I will look at it. You are talking particularly about the markets?

Andrew Boff (AM): No, I am talking about all their commercial tenants. TfL are looking to increase by £700,000 their rental income from those commercial tenants.

Boris Johnson (Mayor of London): Thank you for drawing that to my attention. We will look at it and certainly I will get Peter Hendy to get back to you on that. We will do a study on the cost implications of that.

Andrew Boff (AM): Thank you very much.

John Biggs (AM): In a nutshell, the counter-argument to Mr Evans' argument is that you have banked eight years of growth and achievement in London's transport and new expansions and services in a city which will only survive by going forwards and you have decided, under your administration, that we should stand still. That is the summation of where we are going.

Boris Johnson (Mayor of London): Nonsense, quite the opposite. Here we have Val Shawcross just now saying that she does not want to hear anything from me about how to solve the long-term problems of aviation. She does not want to hear about a new bridge at Silvertown. She does not want to hear about the extension of the Bakerloo Line. She does not want to hear any visionary projects at all. She wants to concentrate on the Cross River Tram for which there is no Labour Government funding. I think you have got to get your story straight.

John Biggs (AM): There was no funding for Crossrail when Ken Livingstone started on it. There is no funding for Crossrail 2.

Boris Johnson (Mayor of London): By the way you are certainly correct in saying that there is no funding currently being offered by Government for a new airport in the Thames Estuary. That does not mean by the way that it is impossible to create such a thing or that funding would not eventually be found.

John Biggs (AM): So you have to speak up for London, whatever your schemes are.

Boris Johnson (Mayor of London): It is our job to offer leadership and to make the case for what we think is right.

Kit Malthouse (AM): Where you replace a bendy bus with a double-decker bus is it perfectly possible that given the vast underestimates of the amount of fraud that takes place on bendy buses that may well end up running at a surplus to previous and therefore assumptions TfL make about cost will be outweighed by the recovery of fees on the route?

Boris Johnson (Mayor of London): I think Caroline [Pidgeon] was spot on earlier on when she alluded to this huge problem. It is underestimated and it is certainly a benefit that will accrue to London from having a different system.

Kit Malthouse (AM): Would you agree with me that the residents who live in and around Parliament Square will benefit from the cancellation of the scheme that was going to be imposed on them by the previous Napoleonic occupant of your office by the very fact that the hundreds of thousands of cars every week that would have been ploughing through their estates, particularly the estates at the back of the Tate Gallery, will no longer do so?

Boris Johnson (Mayor of London): Yes, I think I would agree completely with your analysis except I would say that of course Napoleon spent his exile in Elba and indeed in Saint Helena. Thanks heavens for the superior system of democracy that allows us to be properly invigilated as we are by this culture.

Kit Malthouse (AM): Also, on two of the schemes that were mentioned by Val Shawcross, is it the case that for an estuary airport and a Park Lane underpass it is perfectly possible for both to be self-financing?

Boris Johnson (Mayor of London): Kit, if you say so. I am not going to quibble today.

Kit Malthouse (AM): Finally, just a question actually alluding to the Green budget. One thing that has not been mentioned in there, which is possibly the most pernicious and damaging thing they are proposing, is an increase in the standard Congestion Charge to £10. Would you agree with me that at this time that would be a complete disaster for those businesses that survive on trade from theatres, restaurants, many of whose customers have to come by car and that any rise in the Congestion Charge in the central zone will be damaging for London as a whole?

Boris Johnson (Mayor of London): I certainly think that it would be completely wrong in the current circumstances to put it up. That does not mean that I am going to scrap the central zone because I think there are arguments to be made for it. I cannot answer the interjections from my right because I do not think they are in order, Jennette.

(vi) London Development Agency

Darren Johnson (Deputy Chair): You have often talked about the benefits of retrofitting London's homes with some major insulation project. Is there any money for that?

Boris Johnson (Mayor of London): Not only is there any money for it but, if you look at the environment budget that we are proposing, you will see that under climate change and retrofitting programmes in our budget we are proposing at least £2.5 million in retrofitting programmes which is an increase of £500,000 on last year.

Darren Johnson (Deputy Chair): That is via the LDA, yes?

Boris Johnson (Mayor of London): That is via the LDA, yes.

Darren Johnson (Deputy Chair): Well that is odd because when I was questioning Peter Rogers at the --

Boris Johnson (Mayor of London): It is an increase of £1 million on last year.

Darren Johnson (Deputy Chair): When I was questioning Peter Rogers [Chief Executive, LDA] at the Budget and Performance Committee he was absolutely categorical that the LDA was getting out of doing domestic home insulation and were only doing work with the public sector and the private sector.

Boris Johnson (Mayor of London): Well we are determined to support programmes for retrofitting.

Darren Johnson (Deputy Chair): You are not doing anything for homeowners?

Boris Johnson (Mayor of London): We certainly shall be and I think it will be greatly to the benefit of homeowners across London.

Darren Johnson (Deputy Chair): This is the problem, this is the problem; I do not dispute your enthusiasm about this. You keep talking about it but you are not standing for office any more, you are not a candidate, you are actually the Mayor. You have got to find the money to do a project for London's homes.

Boris Johnson (Mayor of London): Look at the budget, look at the budget. Green homes were budgeted for £1.5 million. We are spending on the 2009/10 budget £2.427 million on retrofitting programmes. Not only that, I think we should be going further and we should be setting up a retrofitting academy to teach people what I think will be a vital skill for the green economy. People say, "Well, we've lost all these jobs in the City. Who knows where the next big thing is going to be for London?" Well, I do not think any of us know where the next big thing is going to be for London but it could be in the green economy. We would be mad to miss on the opportunity.

Darren Johnson (Deputy Chair): We absolutely need that skills training, so where is the additional investment coming for this retrofitting academy, for this green skills training?

Boris Johnson (Mayor of London): Well, I think I have just indicated to you where the extra money is coming for the retrofitting programme and we are certainly going to be supporting the boroughs and supporting a programme. If you talk to Isabel Dedring, the Environment Director, you will find that she has fantastic ideas for rolling out a programme not unlike what they are doing in Kirklees and I think obviously you are right in thinking that most of this is going to be done by the boroughs. Of course it is going to be done by the boroughs but we can support and we can give leadership and we can help to shape the argument.

Darren Johnson (Deputy Chair): So you are going to talk about it and other people are going to pay for it?

Boris Johnson (Mayor of London): Well we are a strategic body. As I have said, we are investing heavily in this. I believe in it. By the way, it is the right thing to do for London now particularly in tough times because by properly retrofitting their homes they can save themselves huge amounts of money on heating bills and it is completely the right thing to do.

Richard Barnes (AM): Mr Mayor, the London Development Agency has no impact upon the precept that Londoners actually pay, your part of the tax bill, but it does have a major impact upon London, its future and its development. It spends some £500 million a year. It did, however, figure greatly during the course of the last Mayoral election campaign and you inherited an organisation which was demoralised, whose probity was questioned, which had been subject to the previous administration's micromanagement, bullying and interference. It was effectively - given its high turnover in personnel - not fit for purpose. Can you assure us that Londoners over the next four years will be getting true value for money from the LDA and it will no longer be seen as the Mayor's chequebook?

Boris Johnson (Mayor of London): Yes, of course, Richard, and that was one of the reasons why I think Londoners wanted to see some changes. I hope that we have been able to bring them. I think Peter Rogers has done a fantastic job with the LDA. He has sharpened it up. He has given it a real focus on growth, skills and jobs in London and that is what Londoners want to see.

Richard Barnes (AM): Yes, and you will assure us that its budget will be for the benefit of London and Londoners and not necessarily a political ideology?

Boris Johnson (Mayor of London): Absolutely right. I cannot hide it from anybody. We might as well be frank. Being Mayor there are plenty of moments when you want to say, "God, I wish the LDA would just write out a stonking great cheque for this" and of course, you cannot. You have got to make sure that whatever programme you have coheres with the objectives of the LDA of delivering growth, skills and jobs and that you can defend it on those grounds. I think by the way the investment in retrofitting and the green programmes that we want to do are perfectly coherent with that objective.

Richard Barnes (AM): Thank you, Mr Mayor.

Andrew Boff (AM): Mr Mayor, is it providing the best bang for Londoners' buck for the LDA to be investing in Socially Rented Housing projects which build more one and two-bedroom houses than they do family houses with gardens?

Boris Johnson (Mayor of London): At every stage, when I come to look at planning decisions I try to encourage the development of affordable family homes of a kind that I think Londoners want. The LDA is currently in an extremely powerful and important position in the sense of its being the possessor of land that can be used to help jumpstart the housing market. It is open to the LDA to de-risk land and encourage development to go ahead. Insofar as we do that then yes, of course you are right, Andrew, we should be trying as far as possible to be creating dwellings that are suitable for family occupation and your ongoing campaign against one and two-bedroom flats is successful and well understood.

Andrew Boff (AM): Could I therefore ask you, bearing in mind the very positive response that you have just given, that you direct the LDA to revisit the Barrier Park East scheme in which it is a partner and in which there is very little family housing and an over provision of one and two-bedroom flats for socially rented purposes?

Boris Johnson (Mayor of London): I will certainly have a look at it and ask them to produce--

Andrew Boff (AM): This is not a question, Mr Mayor, of you being asked to override a local authority's planning application. This is the LDA itself being a partner in the application, so you have got more leverage.

Boris Johnson (Mayor of London): I understand completely what you are saying. This planning application has a very long history and we will certainly have a look at it.

Andrew Boff (AM): Thank you.

Victoria Borwick (AM): Back to the Olympics. It is our intention that all members of the GLA family should pay their invoices in a more timely manner. I think it is something we would all absolutely agree with. Could you confirm this is actually going to happen on the Olympics with the subcontractors because I understand that one of the lessons that can be learned from the [Millennium] Dome is that this was one of the reasons for the cost overruns and obviously the delays in the processes there and it is something we should watch out for?

Boris Johnson (Mayor of London): It is a very, very good point, Victoria [Borwick]. The Olympic Delivery Authority (ODA) is not actually, of course, a Mayoral body but I do sit on the Olympic Board and I will use my offices there to see what we can do.

Victoria Borwick (AM): Thank you.

Andrew Boff (AM): One very last one, Mr Mayor.

Boris Johnson (Mayor of London): It is Queen Street Market?

Andrew Boff (AM): No. The residents of Hackney, I am sure, are delighted at the prospect that the Media Centre is going to be built where it is. Are you not, however, worried at the rapidly diminishing contingency fund of the Olympic project bearing in mind we have still got 3.5 years to go?

Boris Johnson (Mayor of London): Well, I would just remind you that there is still well over £1 billion contingency unallocated let alone unspent. I think there is considerably more unspent. I am

still completely confident that we are going to be able to deliver a brilliant Olympic Games within the £9.3 billion envelope. Obviously, times are much, much more difficult and much, much tighter than they were when this bid was successful but we are going to go ahead and bear down on costs and deliver a fantastic Games.

Andrew Boff (AM): Thank you, Mr Mayor.

Richard Tracey (AM): Mr Mayor, when will the final budgets for last year's accounts at the LDA become available for scrutiny?

Boris Johnson (Mayor of London): Good question, Dick. I will make sure that they are available as soon as we have got them. When are the budgets available, Martin [Clarke]?

Martin Clarke (Executive Director, Resources, GLA): The budget becomes available, the detailed budget in March 2009. You are talking of the accounts of the previous year which have been signed off by the district auditors so they should be available imminently.

Richard Tracey (AM): Thank you.

Jennette Arnold (Chair): Thank you. That is the end of the question and answer (Q&A) session for today. Thank you, Mr Mayor. Thank you, Sir Simon [Milton] and thank you, Mr Clarke.