

London Assembly (Mayor's Question Time) – 20 February 2017**Transcript of Agenda Item 4a – Final Draft Consolidated Budget 2017/18: Report of the Mayor**

Tony Arbour AM (Chairman): Good morning. Welcome to this meeting of Mayor's Question Time (MQT), which is to agree the final draft budget for the ensuing year. Further to Standing Order 6.4, this meeting will be used principally to consider the Mayor of London's 2017/18 Final Draft Consolidated Budget proposals. I will begin by asking the Mayor to present his final draft budget proposals, focusing in particular on the changes to the budget proposals since they were last presented to the Assembly on 25 January [2017]. The Assembly will then put questions to the Mayor on the budget proposals for up to one hour and, finally, will move on to debate and vote on the budget proposals. The Assembly's consideration of the Final Draft Consolidated Budget is covered by the budget procedure set out in Standing Order 6.

Mr Mayor, please present your final budget proposals.

Sadiq Khan (Mayor of London): Good morning. It is a pleasure to today present the final draft of my first budget as Mayor of London. This budget lays out my plans to ensure that all Londoners get the opportunities that our city gave to me and to deliver on my promise to be a Mayor for all Londoners. This is a budget specifically designed to deliver real results for Londoners and fast.

This budget will deliver a record-breaking £3.15 billion in new, genuinely affordable homes over the next five years, the first step on the long road to fixing London's housing crisis. It will make commuting in London more affordable by freezing all Transport for London (TfL) fares for four years and continuing with the new Hopper bus fare. It sets out my intention to do everything possible to maintain the strategic target of 32,000 police officers across London and to improve neighbourhood policing in the face of significant Government cuts. It sets out our ambitious plans to tackle air pollution in London, doubling the amount spent on improving air quality to £875 million. It includes significant investment in modernising our transport infrastructure, with the biggest growth in Tube capacity that London has ever seen. It includes an additional commitment of £4 million for culture, plans for a new Skills for Londoners Taskforce, ambitious plans to make walking and cycling easier and safer, and a new target for a fire engine to reach any incident within ten minutes 90% of the time.

Of course, achieving all of this in the face of Government cuts will require some extremely difficult decisions and I want to be clear. I will not tolerate inefficiency with public money.

I want to take a moment to thank Assembly Members from all parties for your involvement in the budget process. I particularly want to thank Assembly Member Bacon and the Budget and Performance Committee for your pre-budget report and continued engagement. We have made changes as a result of your work and scrutiny.

For example, as a result of our discussion at the Committee, I have increased the contingency budget for the Old Oak and Park Royal Development Corporation (OPDC) from £1 million to £2 million. If the full contingency is used, it means that I have now allocated to the OPDC the full amount that was initially requested from me in this budget round. As the Chief Executive of the OPDC has confirmed, the additional

contingency will future-proof the future delivery of the whole site. I will also ensure the OPDC works closely with Homes for Londoners. My expert team is bringing together all of my housing, planning, funding and land powers to ensure effective and efficient delivery of thousands of new homes and jobs.

I would like to thank Assembly Member Duvall and the Labour Group for their representations on my budget in a number of crucial areas. As a result, I can confirm that we will be including new targeted programmes and piloting initiatives designed to help to address the chronic shortage of affordable childcare in London, support and provision for English-as-a-second-language training, and establishing a new team to target broadband not-spots. I am pleased to confirm that the first new London Food Strategy in a decade will be published and new programmes targeting holiday hunger and food poverty will be rolled out.

Addressing the city's affordable housing problem is a major focus of my mayoralty and I know that Assembly Members share my concern. Assembly Member Copley has been particularly energetic in pressing me on the role that community-led housing can play. I have listened to his persuasive representations on this matter, as well as those from a range of groups involved in community-led housing. I want to make sure we are building capacity in this field and so my team has been working on proposals included in this budget for £250,000 to go towards establishing and running a community-led housing hub. This hub will support groups in areas where they may currently lack expertise, such as development management and securing funding for land.

Finally, as is always the case, there are some changes to the final draft of the budget. I have further increased funding to the Mayor's Office for Policing and Crime (MOPAC) by a total of £3.6 million. I have more than compensated for the reduction in the Home Office's general policing grant and I am determined to do all I can to keep Londoners safe. I reiterate my call to all Assembly Members to join me in calling on the Government to properly fund policing in London.

I am also pleased to say that we have now allocated the £500,000 released by Assembly Members from your one-off reserve. £250,000 will be used by MOPAC to fund a major new anti-knife crime campaign. [Knife crime is] a growing problem and a tragedy that we simply must tackle. I have allocated £128,000 to fund a new musical scholarship in every London borough through the Mayor's Music Fund and I have allocated £122,000 towards a new programme to tackle air pollution in London.

Thank you again for your contributions to the budget process. This is a budget that will deliver real results for all Londoners and I look forward to answering your questions, Chairman.