

MAYOR OF LONDON**John Biggs AM**

Chairman of the Budget & Performance Committee
City Hall
The Queen's Walk
More London
London SE1 2AA

Our ref: MGLA290115-7600**Date:** 23 FEB 2015

Dear John

Budget and Performance Committee Meeting – 13 January 2015

Thank you for your letter of 22 January. Please see my responses below to your request for additional information arising from your Committee meeting of 13 January.

Details of any GLA Group assets sold at below market level for affordable housing.

No Greater London Authority Group assets have been sold at below market level for affordable housing.

Details of the Mayor's decision-making process and officers involved in decisions about disposals at below market level, as well as the Mayor's priorities for disposals.

The GLA cannot dispose of land for less than best consideration which can reasonably be obtained without the consent of the Secretary of State. The Secretary of State has issued a general consent to the GLA to dispose of land at less than best consideration where it considers a disposal on this basis will assist in meeting its principal purposes. However, in each case the difference between the sale price and the unrestricted value must not exceed £10m or 30 per cent of the unrestricted value. The GLA and its functional bodies have published Property Asset Strategies which are reviewed on a regular basis. The Mayor has established the Single Property Unit which reviews forthcoming disposals across the GLA group.

The Mayor's decision-making process and officer involvement in decisions about disposals at below market level follow the standard process as set out in the Scheme of Delegation, subject to the detail above. Officer involvement depends upon the nature of the disposal. For example, officers working on new schools will become involved in the decision-making process for sites which may be suitable for a new school.

Details of the numbers of people affected by increases to the Zones 1 to 6 Travelcard and the pay as you go cap in outer London zones.

Across all zones, 1,150,000 PAYG cards are used each day. Of those, around 200,000 people will pay less because all-day caps are substantially lower than in 2014.

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Figures for January 2015 show that around 18,000 people have paid more because of the removal of the off-peak caps. Of these:

- 85 per cent (around 15,000 passengers) paid an average of £1.40 more around once a week;
- 10 per cent (around 2,000 passengers) paid an average of £1.40 more around twice a week; and
- The remainder (around 1,000 passengers) three times a week or more.

This means around 3,000 passengers are paying more than £2 extra a week for their travel as a result of the withdrawal of off-peak caps. And this is not always a net increase; many of these users will also benefit from lower all-day caps on other days.

A follow-up to the undertaking to look again at the increases to Zones 1 to 6 travelcards and pay as you go caps, along with increases to group fares, particularly in connection with schools.

Please see the Final Draft Consolidated Budget published on 13 February.

An explanation for the proportion of homes being built for discounted rent with three or more bedrooms falling short of the 36 per cent target.

Although only 25 per cent of the discounted rent homes in the initial allocations are three-bedroom and larger I am confident that this will increase in schemes actually delivered. This will happen as sites are identified for the homes currently 'indicative', which do not have a bedroom split, and as more bids come through the continuous bidding process which opened in December 2014.

Details of the youth unemployment rate and how it impacts on the number of young people available for apprenticeships.

In line with the upturn in London's economy since the end of 2009, there has been a significant improvement in all areas of London's youth labour market (e.g. jobs, overall employment, youth unemployment, benefit claimant count, number of people Not in Education or Training). In London, the latest estimate of the ILO unemployment rate for 18 to 24 year olds in the three months to November 2014 was 19.3 per cent (equivalent to 101,000 young people). This is close to the pre-recession rate of 16.9 per cent (88,000) in the three months to November 2007 and it is down 5.4 percentage points from its post-recession high of 24.7 per cent (119,000) in the three months to November 2009. The more timely claimant count data shows a similar trend. In December 2014 the claimant count rate for 18-24 year olds was 2.9 per cent (22,155). This is below its pre-recession rate of 4.2 per cent (32,910) in December 2007 and below its post recession high of 6.9 per cent (56,215) in December 2011.

Apprenticeships offer excellent opportunities for young people to enter businesses and gain experience and qualifications at the same time with pathways into higher level roles (with the accompanying skills and accreditation). While it is difficult to prove a direct link with the wider national trend of a decline in national apprenticeship numbers, as the labour market situation for young people improves the need or demand for apprenticeships for youths could well be falling in line with these developments.

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The funding levels available for Team London in 2015/16 and 2016/17.

2015-16: £0.514m and 2016-17: £0.502m

Thank you again for writing.

Yours ever,



Boris Johnson
Mayor of London

Cc: Sir Edward Lister, Chief of Staff and Deputy Mayor for Policy and Planning, GLA
Martin Clarke, Executive Director of Resources, GLA
David Gallie, Assistant Director Group Finance, GLA