

London Assembly (Plenary) – 10 February 2011

Draft Consolidated Budget 2011/12 – Transcript of Statement from the Mayor

Dee Doocey (Chair): Mr Mayor, if you would like to set out your budget, please?

Boris Johnson (Mayor of London): Thank you very much, Dee. At a time when the rising cost of living is foremost in people's minds, I hope Londoners will welcome my proposals to freeze my share of the Council Tax for the third year running. By the end of this year this will amount to a 10% cut in real terms in the precept since I was elected. I have secured a good deal for London at a time of unprecedented national austerity as the coalition gets to grips with the appalling deficit bequeathed by the last Government.

I do not want to understate the challenges we face but this Government has listened to all of us here. It understands that London is the engine of the UK economy and has not reduced our funding by as much as elsewhere. Again, this is in contrast with the record of the last Government when London was treated less generously than any other region.

I had hoped to put before you details of the London Development Agency (LDA) budget for the coming year but we are still awaiting an official announcement from Government. Negotiations between my office and the Treasury have concluded and I am confident that the proposals in my draft budget will be fully funded through the economic development pot that Ministers have promised London. You will just have to wait a little bit longer for the full detail.

On transport, we have secured Crossrail in full; the Tube upgrades in full; protected our bus service and the most comprehensive concessions protecting vulnerable people in the country; and we will get the Thameslink upgrade. In the last 12 months we have seen the East London line completed ahead of time and on budget and now, ten months after it was opened, 70,000 passengers are travelling on it every day; more than double the numbers on the old line. We have seen the launch of the Barclays cycle hire scheme which has seen them pedalled around London a distance of ten million kilometres, the equivalent of 13 trips to the moon and back, on 2.5 million journeys. It may be miles next time. This year will see it expanded east.

I delivered on my promise to abide by the consultation of West London residents and I have removed the west extension zone of the congestion charge. I have reviewed the projected local improvement plans funding (LIPs), in Transport for London's (TfL) business plan, which is projected to fall from £147.8 million in 2011-2012 to £143 million in 2012-13, to £130 million in 2013-14. The boroughs are crucial to the delivery of my transport strategy and so I have decided to ask TfL to keep this allocation level at £147.8 million over all three financial years.

My administration is well on the way to delivering a record number of affordable homes in the face of the worst recession since the Great Depression. We are close to planting the 10,000 new street trees I promised. This past year has been an important one also in our preparation for the 2012 Olympic and Paralympic Games. Work on the Olympic Park site is nearer completion and we are more advanced in our legacy planning than any other city in Olympic

history. I have secured a deal with the London Organising Committee of the Olympic and Paralympic Games (LOCOG) that will give one in eight London school children a free ticket to enjoy the games up close, and 34,000 have so far signed up to be a London Ambassador.

The last year saw the delivery of my promise to quadruple London's provision of rape crisis centres. Three new centres have opened in the west, the north and the east of the City. I thank the boroughs that have helped in delivering the commitment I made three years ago. This is particularly important to me and to all of us in view of the increase that we have seen in sexual violence.

Generally we are succeeding in bearing down on crime and people assume that this would be difficult in view of the worst recession in our country for generations. There has been no such corresponding rise in crime. Said crime is down almost 8% across the board and youth violence is down 15% since I was elected, murder is now at its lowest rate since 1978. The new leadership in the Metropolitan Police Service has brought about pragmatic and sensible reforms that have had a real effect on bearing down on crime in London. Like allowing officers to patrol singly, a fantastically pragmatic measure that could up to double the number of police patrols. In fact, by 2012 there will be one million more patrols than when I was first elected.

Operation Blunt Two has taken more than 10,000 knives off the streets and my initiatives to address the root causes of serious youth violence are beginning to make a difference. The Heron Unit at Feltham Young Offenders Institute is being expanded after a brilliantly successful first year. The recidivism of people who have been through the Heron Unit is just 21% compared to over 80% in other units. My mentoring project which aims to recruit 1,000 black men to be positive role models for vulnerable teenagers has already had over 800 expressions of interest from people applying to be mentors.

I remember in 2008 people's concern about crime on public transport. My measures, such as deploying safer transport teams as well as simple things such as banning booze on TfL services have resulted in crime being forced down by 30% on the buses and 20% on the Tube and the Docklands Light Railway (DLR). That is a fantastic achievement and I pay tribute to all the officers who have done such great work.

But I believe we can go further in bearing down on crime, so in my budget today I am proposing to increase funding for the Metropolitan Police Service by some £42 million. This investment means that as of next week we are starting up recruitment again for the Metropolitan Police Service in order to reach a target of 32,510 full-time warranted police officers. By the end of my first term of office London will have significantly more police officers than I inherited in 2008. We are also going to expand our Safer Transport Teams by more than 400 officers, meaning our buses, tubes and stations will become ever safer. We are also increasing by 70 the number of police officers based in schools and creating a new pool of 120 officers to work in partnership with the boroughs to hit crime hotspots and problem areas. We are protecting Safer Neighbourhood Teams and the ward based system that has proven so successful and so popular. By streamlining the management of some of the capital's smaller and quieter wards, performance will be improved. All of this on top of the 6,700 specials we will have this year; up from 1,250 when we started.

So at a time when police forces around England are reducing in size we are going in the opposite direction. In part this is down to the strong case that we put to government but it is also thanks to the excellent stewardship of the Metropolitan Police Authority (MPA) resources led by Deputy Mayor for Policing, Kit Malthouse AM, and the leadership of the Metropolitan Police Service headed by Sir Paul Stephenson [Commissioner of Police of the Metropolis].

This is a budget that builds on the achievements of my mayoralty, delivering my priorities - our priorities - whilst protecting Londoners from increases in Council Tax. We are fighting London's corner, we are building a lasting legacy for the Olympics, and we are making London a safer place and giving our young people opportunities for the future. By constantly working to improve Londoner's quality of life through improving our parks and green spaces, upgrading our transport system and delivering homes for people to live in, we are continuing, in short Members of the Assembly, to lengthen London's lead as the best big city on earth to live in. Thank you very much.

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Draft Consolidated Budget 2011/12 – Transcript of Statement by the Chairman of the Budget and Performance Committee

John Biggs (AM): Just for interested members of the public, my job is to speak as Chairman of the Budget and Performance Committee at this stage and obviously that differs from perhaps the role I will carry out later on when we take perhaps slightly more party political positions.

I want to just really start by thanking my colleagues on the Committee for our ability to overwhelmingly throughout the year address issues of budgetary scrutiny in a consensual way. I wanted to also thank the Mayor's office and the Mayor for their co-operation with our committee because our purpose is essentially to, on behalf of the Assembly, scrutinise the early versions of the budget, to ask probing questions. That both helps to improve the Mayor's budget, it also helps to furnish the political groups with better information so that we can better consider from a political perspective, as we are expected to, the Mayor's proposals.

The position we are in as a budget committee is we recognise that this is a difficult budgetary climate because of cutbacks in Government grant. We are frustrated at the timing of this because, of course, it has been delayed because of delays in Government grant announcements. I think we are a little frustrated also that the Mayor can speak with confidence that he knows what the budget settlements are, whereas they have not actually been formally announced yet. So that does leave the Assembly in a slightly difficult position in terms of being able to properly scrutinise and hold to account what the Mayor is proposing to do. I think that is an issue we need to return to. It does mean the budgets in front of us are rather incomplete and I think that probably means that all the party groups, unless they have privileged information, have amendments which are based on an incomplete understanding of the Mayor's budget.

Running through the different parts of the Mayor's Functional Bodies, we noticed, as a Budget and Performance Committee, that there is a significant cut in the grant funding for policing in the next year. We recognise that the Mayor is changing the allocation of precept money to help cushion the effect of that but that, nevertheless, this does mean some downward pressure on police budgets which will have an impact on his ability to provide the level of cover that we would be used to having in London. We will debate that at greater length later on.

I think we note also that on the question of warranted officers – some warranted officers not being full-time officers are not quite the same as other full-time warranted officers – and that is a matter that maybe can be discussed later on.

On the TfL budget, we continue to be frustrated that the TfL budgets are somewhat out of sync with the budget making of the Assembly and so we have seen what approximately seem to be the TfL's proposals for budgets in the next year. Even more frustrating is that the LDA budget is incomplete because we do not know what that is. We are reassured by some of the statements of the Mayor about what he wants to fund but we do need to see further what the detail of that might be.

On the fire service budgets, we have looked at that in some detail and we do acknowledge as a Committee that its reserves can be used to help other parts of the Greater London Assembly (GLA) family in the coming year. But we note also that the backdated budget settlement, the back-loaded budget settlement for fire means that in future years, next year and the year after that, there are some pretty awful decisions, potentially, for the fire service and we would like to have a transparent debate within the GLA about the implications of that for fire cover in London. Let us see how that rolls out in the coming year.

The other comments I think we would want to make is that TfL has enormous ambitions to make back office savings through efficiencies and the GLA family as a whole, through shared services. We have not yet seen the evidence that these are going to bear all of the fruit that they promise, although we take it at face value that they will do. So we commend our reports to the Assembly.

If you look at the Mayor's budget today, it does cover our key recommendations. We made four in our recent report and we are grateful that the Mayor has addressed those. This is a somewhat surreal experience for me because I always stand in this Chamber in a slightly less bureaucratic fashion. But can I thank my Members of the Committee for their help in producing our budget responses and may it shed further light on today's deliberations.

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Draft Consolidated Budget 2011/12 – Transcript of Question and Answer Session with the Mayor

Dee Doocey (Chair): The next section is questions to the Mayor by the Assembly and we will have up to two hours to question the Mayor on the draft budget proposals. We will do that in sections. The first section is on the section of the budget called 'Mayor of London'.

(i) Mayor of London

Darren Johnson (AM): In terms of the Mayor of London core GLA budget, do you agree that the greatest risk to that is that the grant settlement for the LDA falls well short of the figure that you have assumed?

Boris Johnson (Mayor of London): I agree that that is, or it has been, a theoretical risk, Darren, but obviously you will have heard what I said in my opening statement. I am very confident that we will be able to deliver not only the contractual commitments but full mayoral LDA or ex-LDA priorities. So I am very, very confident that we will get the settlement that we need.

Darren Johnson (AM): We note your confidence on that. What work has been done to prepare options for using the £10 million contingency budget that you have now got?

Boris Johnson (Mayor of London): As I said, Darren, I am confident that we will get the settlement that we need to deliver mayoral priorities. So as far as I am aware we are not yet intending to avail ourselves of the £10 million contingency.

Sorry, forgive me; we may use the contingency to support borrowing, but, as I say, I am confident that we will get a grant substantially in excess of the figure that is currently budgeted for.

Darren Johnson (AM): With the delay and uncertainty regarding the renewed funding for the home insulation programme, do you agree that you will probably fail over 150,000 households who will miss out on a warmer home next year; that you will not get the target for 2012 that you are aspiring to?

Boris Johnson (Mayor of London): It is true that the delay has not been brilliant but I think it is far too early to say that this programme will not deliver its targets.

Darren Johnson (AM): Let's just look at what is coming in from the boroughs. You aim to reach 200,000 households by 2012 but with the initial bids coming in from the boroughs, the scheme is only set to reach 55,000 households. That is quite a shortfall, is it not?

Boris Johnson (Mayor of London): It is quite a lot of houses though, and it is a very ambitious scheme. As I said, Darren, it is unlike you to be gloomy and I think we have got every chance of picking up the pace and delivering a very ambitious scheme.

Darren Johnson (AM): But from the bids received so far, it looks like you will only achieve a quarter of the target that you were aiming for.

Boris Johnson (Mayor of London): As I said, I think it is just a little too early to be quite as gloomy as you are inviting me to be. I think there is every chance that the pace will pick up and we will deliver shed loads of houses, if not sheds. I am sure we will have a very good record on retrofitting homes.

Darren Johnson (AM): You think I am being too gloomy, you are feeling very optimistic about what the Government is going to give you. If the LDA settlement is disastrous and the £10 million contingency budget that you have set aside --

Boris Johnson (Mayor of London): You would not want it to be disastrous, would you, Darren?

Darren Johnson (AM): -- is not adequate, will you consider rewriting this whole GLA budget?

Boris Johnson (Mayor of London): Obviously in the event of such a disaster, which I do not anticipate, nor desire, nor expect, we would look at all options but as I said to you right at the beginning, that is not what I think is going to happen.

Darren Johnson (AM): Thank you.

Richard Tracey (AM): Mr Mayor, one of the overriding objectives of your mayoralty has obviously been regeneration of parts of London wherever that is possible; obviously with the Olympics contributing enormously to that in the East End. But can I ask you formally to welcome the excellent decision yesterday by Eric Pickles, the Secretary of State for Communities and Local Government in accepting your approval and Wandsworth Council's approval of the Battersea power station scheme, which is so important to Nine Elms, and can I ask you how you think now the Nine Elms' opportunity scheme will go forward?

Boris Johnson (Mayor of London): I am delighted you mention that, Dick, and I congratulate you on all the work you have done in championing the possibilities in that area. I think people across the world have really yet to wake up to the full implications of what is happening at Vauxhall and Nine Elms. I think one day there might be a snappier title perhaps for the area but it is going to be, I think, one of the most glorious opportunity areas - already it is one of the most glorious opportunity areas - in the whole of Europe, perhaps only exceeded by what is going on at Stratford. So I think the Secretary of State's decision was absolutely right and you are going to see increasing enthusiasm and interest from the development world and the business world generally in what is happening down there.

Richard Tracey (AM): Obviously the area also has got the support of the US Government in putting its new embassy there within the next decade.

Boris Johnson (Mayor of London): It is going to be a quite remarkable development and at long last we have the scope to regenerate a colossal piece of industrial archaeology, the Battersea power station itself, which is going to remain on the skyline but will be transformed by the proposals.

Richard Tracey (AM): Can I just ask you one further question about our own housekeeping. When the GLA was first created by the Labour Government, before the turn of the millennium, the suggestion was it was going to be a slimline body and I think always the projections would be that the staffing of City Hall would be 400 or so – if that. We are, of course, over those figures. The place grew enormously under the previous Mayor, what are the prospects of us now getting the size of the GLA and the staffing here down to what was originally intended: a slimline body?

Boris Johnson (Mayor of London): Clearly, as I think I said in the last Mayor's Question Time, there has been a very substantial reduction in the salary bill in City Hall. From memory, it is down from about £26-27 million to about £18 million. In other words, a very substantial cut in headcount and in expenditure. I think it is the right thing to do and I am sure you would agree with that. But you have to recognise that we are now taking on new responsibilities and new duties and you cannot endlessly shrink the size of the GLA, but of course I am very mindful that we have to bear down on waste.

John Biggs (AM): I am not too sure where this belongs in our schedule of questioning but can you tell us, since the core GLA is the brain – if you like – of the organisation, whether you, in driving this budget through, are happy with the Government's budget disposition?

Boris Johnson (Mayor of London): I think the Government faced a very serious challenge of deficit which needed to be cut and I think any government that came in would have been obliged to do that. What we have tried to do in City Hall and with our plans is to show that you can cut waste without cutting frontline services. What we have done to date with the police budget, the moving of money around from back office functions to frontline operations has been a perfect example of what you can do in government to cut funding where it is not needed and build it up where it is needed.

John Biggs (AM): So I take that as a yes then, that you do support the Government's funding disposition for London?

Boris Johnson (Mayor of London): What you can certainly take as read, John – even the former Shadow Chancellor, Alan Johnson, my long-lost cousin, conceded as much – it was necessary to cut the budget deficit. That may not be a position that you share but I think it was definitely what Alan Johnson believed – he is no longer there I notice – and that is the commonsensical position.

John Biggs (AM): Do you agree with about 90 Liberal Democrat leaders in the country that the budget cuts are effectively too deep and too rapid, and as a local government leader should you not be more vigorously speaking up for London and the need to preserve its resources and services?

Boris Johnson (Mayor of London): I just remind you what I said right at the beginning, which is that under this mayoralty and under what we have achieved, London had a smaller local government cut than other parts of the country. I think 16% as opposed to 17% overall. Secondly, I would draw your attention again, humbly and respectfully, John, to the transport settlement that we achieved and the considerable success that we have just had in protecting the Metropolitan Police Service from frontline cuts, and indeed being able, in very difficult times, to increase frontline policing.

Dee Doocey (Chair): Can I just remind Members that we are asking the Mayor about his budget, we are not asking about government policy.

John Biggs (AM): I will focus then further on the Mayor's budget. Would you then accept, because I think you have accepted, the Budget and Performance Committee's consensual representations to you which suggest that - coincidentally with this being an election year - a number of the savings are far more severe after the next year's election than they are during this year?

Boris Johnson (Mayor of London): I am sorry, there are --

John Biggs (AM): More severe cuts from next year onwards, arguably after the Olympics and arguably after the election?

Boris Johnson (Mayor of London): No, obviously this is a budget for this year.

John Biggs (AM): But one tends to have three-year projections and expectations. Do you now acknowledge, for example, in choosing to vire money between different functional bodies, you are delaying hard decisions, more far-reaching decisions, on how London's frontline services are --

Boris Johnson (Mayor of London): On the contrary, no. Our job, as you said in your eloquent opening statement, John, is to consider a budget for this year and that is what we are doing. That is what we have produced and I think the interesting thing is that there is a certain amount of opacity about future Government financing intentions, and I think really what we have got today is about as far as we can reasonably go.

John Biggs (AM): Would you not accept then it would be a fairly reckless Mayor - and indeed your finance officers never do this so I do not think you are really doing this - not to do anything other than think about future years when making a budget for this year? So say, for example, you were funding something this year which everyone knew could not be funded next year, you would be pretty stupid to go ahead with it.

Boris Johnson (Mayor of London): Okay, if you are talking about let's try to crystallise this line of questioning to what I think people want to know about, you are talking about police numbers or funding for transport. I am confident that with the settlement that we have got and with the arrangements that we are putting in place we will be able to maintain both.

John Biggs (AM): I have one final question, which is, as Darren Johnson has said, you are using the core GLA budget to meet some of the shortfall in LDA funding and we will explore that a bit later on. But in terms of priorities, the previous Mayor was accused of using LDA resources to fund trophy projects, can you give a guarantee that if you have a choice between funding employment and training projects, which Londoners desperately need, and, for example, funding the cable car initiative, you would choose the former as against the latter?

Boris Johnson (Mayor of London): I certainly believe in funding employment and training initiatives and if you look at what we have achieved on apprentices so far, I think it has been very remarkable. We have had a programme that is now up and running from a standing start and is well on course to deliver more than 20,000 apprenticeships and you are seeing growing interest across London businesses in our programme. I think it is a fantastic programme that is now under way. As for the East London cable car, that will not only generate jobs and growth, it has a very, very good business case and will help to provide vital connectivity between Greenwich and the Royal Docks area.

John Biggs (AM): You are not going to be able to do both, though, are you?

Boris Johnson (Mayor of London): I will further say that it will increase the value of LDA assets in the Royals. I think you posing a false alternative. I believe that the project will be conducive both to jobs and to growth. It is vital that we remember in London the role of ambitious transport projects in generating jobs and growth in our city.

John Biggs (AM): It is not a transport project. But I have finished my questioning, Chair.

Boris Johnson (Mayor of London): Well, it is a transport project.

John Biggs (AM): It is not a transport project.

Roger Evans (AM): Mr Mayor, can I invite you to reassure Members of this Assembly with regard to the core budget in the coming year that you will have enough money there to be able to take on the responsibilities which are going to come from Government?

Boris Johnson (Mayor of London): I believe that of course it will, yes, Roger.

Dee Doocey (Chair): Thank you. The next budget section that the Mayor is going to be questioned on is the London Assembly.

(ii) London Assembly

John Biggs (AM): I think I am speaking on behalf of all the party groups, although the Conservatives may have changed their position, that in your budget you state that you do not believe that the Assembly needs any additional resource to support the scrutiny of its expanded responsibilities, in particular policing. It is our view that that is a mistake and I think that is recorded in our project response to you.

Boris Johnson (Mayor of London): You would like more money to do more with, or to do less with more. What do you want to do? You want more money?

John Biggs (AM): I think I am signalling that but would you acknowledge that the Assembly is making a considerably greater saving than you are in your budget and what is your observation on that?

Boris Johnson (Mayor of London): As I said just now, there has been a very considerable saving in headcount and in overall spending here in the GLA.

Richard Barnbrook (AM): I am quite happy the Mayor recognises there is austerity going on across London and savings have to be made. I would like to ask the Mayor if he can explain why he feels one particular section of our community should be safeguarded over that of another with savings and efficiencies of £0.6 million trying to be saved which makes a quite clear statement not at the effect of adverse impact on equalities. Is there a certain reason why one part of the community of London should be safeguarded and another part should not be?

Boris Johnson (Mayor of London): Obviously we approach everything in the spirit of fairness and impartiality but you have to look at the disproportionate impacts that unemployment can have on certain communities. It is only right that we should reflect that.

Roger Evans (AM): Chair, we are dealing with questions around the Assembly budget?

Dee Doocey (Chair): We are indeed.

Roger Evans (AM): I just wanted to be clear about that in the light of the question that I am following. Mr Mayor, Mr Biggs referred to the level of savings achieved by the Assembly which is good but that is in no small part due to the savings achieved by the Conservative Group in our support services, do you feel perhaps that the other Groups around this table could make a contribution and achieve an even greater saving from the Assembly budget rather than lecturing you about your own savings?

Boris Johnson (Mayor of London): The difficulty here, Roger - and I think you invited me to say this last time - is I do not want to seem as though I am asking these good folk here to cut their budgets and thereby reduce their ability to scrutinise me. That is what they would say. That does not mean that I do not pay tribute to you and your colleagues for the thrifty and parsimonious way in which you are able to carry out your duties and to do more with less.

Roger Evans (AM): Are you saying we give you an easier time than the other groups do, Mr Mayor?

Boris Johnson (Mayor of London): On the contrary, I think that you give me far too rough a time! I think there is a distinct lack of co-ordination sometimes in our approaches, which is all to the good and to the benefit of London. However, what I would say is that I think on the whole you do a very good job of doing more with less. That is a strategy I would respectfully commend to rival groups.

Roger Evans (AM): Can I also ask you - because the Assembly budget does include money, of course, for London TravelWatch, which is a watchdog for travel in London at the moment - whether you consider that we could save more money from that organisation, particularly if we were to put into effect the recommendations of the Richard Tracey review, which made some excellent suggestions.

Boris Johnson (Mayor of London): I think it is always possible to find more efficiencies. But my view about London TravelWatch is this is a body which is allowed to scrutinise us, TfL, on behalf of London Transport but I would not really be content to go down that route unless I felt that this was something that actually had pan-Assembly support.

Roger Evans (AM): I believe it does.

Boris Johnson (Mayor of London): In that case it is a course of saving that we will study with interest. Is that right, Val [Shawcross]?

Richard Barnbrook (AM): Maybe Mr Evans has not read all the documents in front of him but the last statement I made is in section 3, of the draft budget, Greater London Authority, London Assembly, page 36, point 3.8.

Dee Doocey (Chair): Thank you. The next section we are discussing is the MPA.

(iii) Metropolitan Police Authority

Caroline Pidgeon (AM): Mr Mayor, you have made a big thing in your presentation this morning about how you are investing more in frontline policing and you talked about £42 million extra you are putting into the police - although I think looking at the figures it would suggest it is £40 million rather than £42 million. Actually what I am concerned about is territorial policing, frontline policing and your papers clearly show that we are going to see a £56 million reduction in territorial policing; frontline policing in your budget. Are you happy with this?

Boris Johnson (Mayor of London): Two things, on the figure of £40 million as opposed to £42 million, the figures I have are - from memory - £30 million from the London Fire and Emergency Planning Authority (LFEPA) reserves and £11.9 million from the extra Council Tax contributions; the greater harvesting of the Council Tax revenues by the council. So I am

confident the figure is £42 million. As I said, that will be used to put more frontline officers out there where people want to see them. I think it is a great budgetary achievement and, again, I pay tribute to the work done by Sir Paul Stevenson and, of course, by Kit Malthouse.

Caroline Pidgeon (AM): But in your budget it very clearly says territorial policing. The figure is going from £1.5 billion to £1.46 billion, so the figure is going down considerably by £56 million. That is frontline policing.

Boris Johnson (Mayor of London): Sorry, I think you are being slightly confused here, forgive me, Caroline.

Caroline Pidgeon (AM): No, I do not think I am.

Boris Johnson (Mayor of London): Between numbers of officers and budget --

Caroline Pidgeon (AM): No, no, I am not. I think perhaps you might want to look at your budget, Mr Mayor.

Boris Johnson (Mayor of London): Budget numbers. What we are doing is, of course, savings are being found within territorial policing which enable us to spend more money on frontline officers. The budget for territorial policing does not solely consist of pay for frontline officers - of course not.

Caroline Pidgeon (AM): Let's move on to the numbers then as you are keen to in terms of numbers of policing. You have talked this morning about protecting SNTs. The little caveat is, "by streamlining management" which I think really is smoke and mirrors because actually what we have found out is that in terms of SNTs in your budget you have cut 100 sergeants for the next year. Do you support that, cutting 100 sergeants?

Boris Johnson (Mayor of London): I certainly think, and as I have said repeatedly in this place, there has always been a case for looking at the geometry of the SNTs. This is what our borough commanders want. In some of the safer and smaller wards it certainly may be possible for a sergeant to play the management of more than one SNT, but we are keeping SNTs in every one of London's 638 wards, number one, and it will not mean a reduction in the number of bodies out there on the street.

Caroline Pidgeon (AM): It clearly will; that is 100 sergeants less.

Boris Johnson (Mayor of London): No, you are not listening to what I am saying.

Caroline Pidgeon (AM): I am listening to what you are saying.

Boris Johnson (Mayor of London): What we are keeping is 638 SNTs, one in every ward, and we are keeping the number of officers and Police Community Support Officers (PSCOs) out there on the street. What we may do is streamline the planning of those SNTs.

Caroline Pidgeon (AM): Not just 'may do', your budget has 100 sergeants less than currently is the case and that is what the Acting Commissioner told us at the last MPA meeting. What I do not understand, Mr Mayor, is you have got a review going on in the Metropolitan Police Service at the moment looking at SNTs. Before you have even got the evidence, before you have even got the conclusions of that review, before the pilots that are going ahead in Lambeth, Brent and Harrow, which will be putting more police potentially into the frontline --

Boris Johnson (Mayor of London): We are putting more police --

Caroline Pidgeon (AM): -- you are cutting 100 sergeants. Do not try to play with my words, Mr Mayor. You are cutting 100 sergeants before you have even seen the evidence of whether you can do that or not. That seems very short-sighted to me. Are you personally absolutely signed up to cutting 100 sergeants from frontline policing?

Boris Johnson (Mayor of London): I just want to remind you, Caroline, of what we are doing. We are putting another 413 police officers, warranted police officers, on public transport. We have got another 70 going into the schools. Then with a buy one get one free system we have another 120 for the boroughs dealing with particular crime hotspots and problem areas. I think that is a fantastic achievement. In the face of the worst recession for 50 years, the worst fiscal deficit for generations, we have actually succeeded in putting more police out on the street, and I think if you were being fair-minded you would pay a generous tribute to the skill of Kit Malthouse and everybody on the MPA in what we have done. There is absolutely no reason why the sergeants concerned should not manage larger numbers of officers within the SNT framework.

Caroline Pidgeon (AM): What I am saying is you are cutting 100 sergeants, your budget has a cut to 100 sergeants before the review has gone ahead and when there are pilots going ahead that will put other officers to the frontline who those sergeants would therefore need to manage. It seems very short-sighted to me. To keep talking about police going up --

Boris Johnson (Mayor of London): On the contrary, I think it is a very good solution.

Caroline Pidgeon (AM): The actual figures show that for the seventh consecutive month we have seen a fall in police officer numbers in the capital. So I think you are absolutely using smoke and mirrors today.

But can I pick up another point that you talk about --

Boris Johnson (Mayor of London): I think you are completely wrong.

Caroline Pidgeon (AM): -- back office to frontline, you have said that a number of times this morning. In your manifesto you said that we need to spend less on press officers and more on police officers. So how do you justify 74 press officers working for the Metropolitan Police Service?

Boris Johnson (Mayor of London): Caroline, let me tell you, there have been very considerable savings across the board within the Metropolitan Police Service. Not all the people you describe are press officers. There have been savings, for instance, of £44.8 million in corporate issues, we have had a pay freeze, we are cutting down radically on the bonuses, the special priority payments and there are massive savings that we have achieved in service improvements; £85.7 million by rationalising property, cutting needless spend on IT and other such things.

If you look at what has been achieved in cutting back office functions, cutting needless expenditure, I think it is extremely valuable, I think Londoners will appreciate that this is exactly why they wanted a change of approach in the Metropolitan Police Service. They got it and I think it is working.

Caroline Pidgeon (AM): Do you think Londoners appreciate 74 press officers whilst you are removing 100 sergeants from frontline policing? I think you need to reflect on it, Mr Mayor, and look at your priorities.

Boris Johnson (Mayor of London): Two things: one, they are not press officers and, two, we are increasing frontline policing.

Caroline Pidgeon (AM): They absolutely are. Perhaps you should look at your budget in more detail; they absolutely are.

Boris Johnson (Mayor of London): If you were being fair, Caroline – and you are not being very coalitionaire, if I may say so – if you were being fair, and your party is not completely signed up to the budget cuts that have been instituted across the country, you would recognise that we have done a great deal to do what Londoners want us to do: cut the back office waste, get officers out on the frontline where people want to see them.

Caroline Pidgeon (AM): I suggest you might want to look at our amendment later and whether there are things in that you might wish to support. Thank you, Mr Mayor.

Brian Coleman (AM): Mr Mayor, I listened very carefully to your excellent speech and I think the phrase you used when you talking about SNTs and sergeants was smaller and quieter wards. Now, Jennette Arnold and I are in the unique position as constituency members – well you cannot have two in a unique position – of representing both inner and outer London boroughs. In the outer London part of my constituency the wards are not small, they are very large geographically with up to 12,000 voters but they are relatively quiet and we like it that way in Barnet.

Boris Johnson (Mayor of London): It is tribute to you that they are so quiet.

Brian Coleman (AM): Well, indeed. Whereas in the Camden end of my constituency the wards are small with only 7,000-odd voters – geographically small – but are not particularly quiet. Therefore, Mr Mayor, I am wondering what your definition of smaller and quieter is in relation to the wards and SNTs.

Boris Johnson (Mayor of London): Obviously it will vary but what we want to do is to give more scope to borough commanders to maximise the best use of their sergeant's time so that they are able, if they have a small quiet ward that does not require one sergeant to be managing quite a small number of officers, then they should be allowed to vary the system.

Brian Coleman (AM): I am looking for reassurance, Mr Mayor --

Boris Johnson (Mayor of London): You have it.

Brian Coleman (AM): I have not asked for what yet! Particularly in the suburban boroughs where in the 1990s --

Boris Johnson (Mayor of London): They are particularly close to my heart, Brian.

Brian Coleman (AM): Let me get it out, please. It is not the first time I have said that this week! In the suburban boroughs, Mr Mayor, where in the late 1990s policing disappeared from many of our nice middle class wards and where SNTs gave back police officers to the residents, that those places are not, under these budget proposals, going to see any difference in the level of service they are receiving --

Boris Johnson (Mayor of London): Completely. Absolutely, Brian, and you, and indeed Jennette [Jennette Arnold AM], can go back to the people of Barnet and you can say that there will be absolutely no reduction in the numbers of people out there in the SNTs.

Jenny Jones (AM): Mr Mayor, in the past few years there has been a lot on crime prevention in the Metropolitan Police Service budget and it appears to be working because crime is falling. With the cuts to the Basic Command Unit funding and the borough partnership funding, can you put your hand on your heart and tell me there will be the same level of resources to crime prevention next year and the year after as there were in previous years?

Boris Johnson (Mayor of London): Jenny, patently there are savings being made, as I said, across the board in various parts of the Metropolitan Police Service budget. I cannot put my hand on my heart and say we are not making cuts.

Jenny Jones (AM): But to crime prevention.

Boris Johnson (Mayor of London): Of course we are making savings. I cannot, I am afraid, off the top of my head give you the detail about exactly how much the crime prevention budget is going to be but I would be very happy to come back to you with further particulars of it.

Jenny Jones (AM): I would be very grateful. Could you also clarify one thing for me? You talked about an extra 413 officers onto transport, can you clarify is that instead of or as well as the PCSOs that mostly do the job at the moment?

Boris Johnson (Mayor of London): There will be a reduction in the number of PCSO posts, though we are confident that there are sufficient vacancies that with any luck - with any luck - we will not have to make any PCSOs redundant.

Jenny Jones (AM): No, you have talked about extra officers onto buses and --

Boris Johnson (Mayor of London): So just for clarity's sake, we are taking 413 warranted officers and putting them in the place of 300 PCSO posts --

Jenny Jones (AM): So they are not really extra, are they? That is a misrepresentation. They are not extra?

Boris Johnson (Mayor of London): I am sorry, I think most people --

Jenny Jones (AM): It is shuffling around people. You have got a few extra but it is not 413 extra.

Boris Johnson (Mayor of London): I think most members of the public that I have talked to would say they readily understand the difference between a warranted officer and a PCSO and so I think it is a very significant --

Jenny Jones (AM): Yes, but you are claiming 413 extra, and that is not true.

Boris Johnson (Mayor of London): -- increase in the presence of warranted police officers on public transport who have, as you know, powers of arrest and so on --

Jenny Jones (AM): I am not saying it is not a good thing. It is how you are presenting it.

Boris Johnson (Mayor of London): -- that PCSOs do not have. I agree, it is a very, very important difference.

Jenny Jones (AM): You are presenting it as 400 extra and it is not 400 extra.

Boris Johnson (Mayor of London): It is.

Jenny Jones (AM): Please do not try to flannel the public.

Boris Johnson (Mayor of London): It is 413 extra warranted officers. I think that is a very considerable achievement. By the way, I think it is exactly what people want. They want to see their - we have done fantastic things with --

Jenny Jones (AM): That is not the point, the point is about representations and claims that you are making --

Boris Johnson (Mayor of London): -- making public transport safer. But people want to see it safer still, and we can do that.

Jenny Jones (AM): -- that are not accurate.

Dee Doocey (Chair): Sorry, just before we go on, can I just remind Members that it would be helpful if one asked a question and the other listened to the answer rather than both speaking over each other.

Jenny Jones (AM): When he is flannelling it is very difficult to listen.

Darren Johnson (AM): I have a question on the precept and as the police is the largest component of the precept it seems sensible to ask it on this one. You were congratulating yourself on a zero --

Boris Johnson (Mayor of London): I think I was congratulating Kit.

Darren Johnson (AM): -- precept rise this time round. But given the Government's formula that you would lose to 2.5%, any authority that puts up Council Tax loses 2.5%, and the Government, Eric Pickles, has announced a cap of 3.5% in terms of putting up Council Tax. It basically makes it impossible for anyone to sensibly put up Council Tax and actually get any money in, does it not? So you have not done anything particularly courageous or ambitious, it is the only thing you can do under the current situation.

Boris Johnson (Mayor of London): On the contrary, we could have done as the last administration did and whack it up by 153% instead we have kept it frozen for three years. Actually that represents a 10% real cut. Do not forget that the Council Tax precept is a disproportionate portion of the expenditure of some of the poorest families in this city.

Darren Johnson (AM): But under the formula that the Government has laid down for Council Tax it would be impossible for Ken Livingstone, it would even be impossible for somebody like Derek Hatton to put up Council Tax in this scenario!

Boris Johnson (Mayor of London): I am afraid if you look at the record of the last administration, which you devoutly supported, it went up by 153%. I am afraid I do not repose any confidence in your view that it would be okay because any substitute for me would be fettered by a wise Government. I am afraid I do not believe that. If you look at the record of the previous administration - it had been supported by you - it had absolutely no hesitation in whacking up the precept and increasing a compulsory expenditure of some of the poorest families in this city.

Darren Johnson (AM): One final question, which goes across the board. We have picked up on media and marketing budgets in police and similar concerns about transport and so on. You have expressed support for shared services and there is supposed to be a real drive for shared services across the GLA Group. Have you not thought about shared services for media, marketing and press, which could make some serious savings and ensure that you are not having to make cuts to safer neighbourhood teams and ensure that you are not having to make cuts to

borough transport plans and so on? Why are you not doing that? Why are you making cuts to services?

Boris Johnson (Mayor of London): As I say, and I think you must withdraw that because we are not making cuts to frontline officers, on the contrary we are increasing the number of frontline officers and the LIPS programme so I am afraid you just need to go back and correct the record on that. Your sensible point is an interesting one. There is more work to be done on shared services. I wonder whether the 11 or 13 or whatever it is Assembly spin doctors could perhaps be merged, and perhaps you could all have one press officer, Darren. How about that?

Dee Doocey (Chair): The Green Group are out of time. Joanne McCartney?

Joanne McCartney (AM): Of course, Mr Mayor, your predecessor put up Council Tax precisely to fund those SNTs that everyone is now defending. I want to pick up on those SNTs, and pick up some of the points that Caroline has started questioning. Next year your budget is to cut 100 sergeants in SNTs, the following year the plans are to cut a further 200, which means that the sergeants on SNTs will reduce by half over the next two years. Do you not have any concerns about that?

Boris Johnson (Mayor of London): As I say, we are absolutely confident that the number of Police Constables, the numbers of PCSOs will remain constant, the number of SNTs will remain absolutely where they are and, indeed, we will have more cover at a time when forces across the country are undergoing massive cuts. I think you are being a little bit ungenerous, if may say so. Uncharacteristically ungenerous in the Labour Group and the Liberals in the sense that you are failing to pay tribute to the work of the MPA and particularly of Kit [Malthouse] in protecting the Metropolitan Police Service from the impact of cuts that have been felt across the country. Far from cutting frontline officers, we are increasing them. I think that is a great achievement.

Joanne McCartney (AM): But the number of sergeants in SNTs are going to be cut by --

Boris Johnson (Mayor of London): I said already to Caroline --

Joanne McCartney (AM): Does that not give you any concern?

Boris Johnson (Mayor of London): No. I said already to Caroline that I think that is a very sensible way forward. When you have a sergeant managing a very small number of people, when you have got safer quieter wards, it can make sense to give them scope to manage more people.

Joanne McCartney (AM): So what would you categorise as a very small number of people?

Boris Johnson (Mayor of London): When they just managing a minimum SNT, a one, two, three structure. It may be possible for them to manage more people across the boundaries of the wards and I think most sensible people - we have had this discussion actually many times in this place and I have said that the geometry of SNTs is not something that should remain

completely cookie cutter inviolate. There could be flexibility, there could be other ways of developing it.

Joanne McCartney (AM): So are you saying now, today, that you approve and you will say that we should retain that one, two, three model?

Boris Johnson (Mayor of London): As I have said before, you can do all sorts of permutations but I am determined to preserve the SNTs, we are preserving the SNTs in every one of London's 638 wards and we are actually increasing the number of warranted officers. As I say, if you look back at when we came in, I think there 31,398 full-time warranted officers, it is going to go up to 32,510 and that is a very considerable achievement.

Joanne McCartney (AM): Of course that record number of officers was on the budget you inherited from your predecessor that allowed that --

Boris Johnson (Mayor of London): That is now some time ago. It is now some time ago, and even you would concede --

Joanne McCartney (AM): That is the budget that has given you the wriggle room to reduce numbers year-on-year since.

Boris Johnson (Mayor of London): On the contrary, we are putting up numbers. I can appreciate the political imperative to try to argue in one direction when the facts speak of a different reality. We are being able, because of sound management of our finances, to put up numbers in spite of the most severe budget cuts that anybody has ever seen. What it shows is it is not how much you spend, it is where you spend it and how wisely you spend your resources.

Joanne McCartney (AM): Can I move on then to safer schools teams? I share Jenny's concerns about the crime prevention agenda. In December I asked you if you were committed to retain the current numbers of safer schools officers and you said you had no plans to reduce them, is that correct?

Boris Johnson (Mayor of London): Indeed, we have increased the number of warranted officers in schools by 70, and I think that many schools would be extremely grateful for that.

Joanne McCartney (AM): I think this is another point about where you are misleading the public because you talk about warranted officers and yet the total number of officers are actually going down so that we are currently going from a mix of PCs and PCSOs, which currently total 285, and we are going down to PCs only totalling 253. So we are actually losing 32 PCSOs. On that basis, which schools are not going to get their SNTs?

Boris Johnson (Mayor of London): As I said, I think schools will be pleased that there has been an increase in the number of warranted officers, which is I think what people want to see and they have different powers. As I said earlier on, we think that with luck it would be possible -- because we are actually deleting PCSOs, the unfilled posts, we think it will be possible to push through these reforms without actually making any PCSOs redundant because, of course,

what happens in many cases is that the PCSOs are themselves on a path towards becoming warranted officers and we want to encourage that. It is a great process and that is something that this budget encourages.

Joanne McCartney (AM): We do not object to that and we like our PCSOs in schools but your plans will result in an 11% reduction in headcount in those safer school teams, so again I ask which schools will lose their safer schools officers?

Boris Johnson (Mayor of London): As I said, you have got to choose the most effective option for our schools and I think that by increasing the number of warranted officers we are doing what the overwhelming majority of schools would want.

Joanne McCartney (AM): But which schools will lose their officers?

Boris Johnson (Mayor of London): As I say, you are going to have more --

Joanne McCartney (AM): Can you provide me a list of schools which are going to lose their safer schools officers?

Boris Johnson (Mayor of London): -- warranted officers, 70 more warranted officers supporting our safer schools. I think that is a fantastic thing.

Joanne McCartney (AM): But will you provide me with a list of schools that are going to lose their safer schools officers?

Boris Johnson (Mayor of London): I do not think there is any need for any school, Joanne -- and I am surprised that you should constantly take this --

Joanne McCartney (AM): Will they be sharing safer schools officers in future?

Boris Johnson (Mayor of London): -- attitude which is so --

Joanne McCartney (AM): Even more thinly.

Boris Johnson (Mayor of London): -- resentful, so resentful of success. It is so resentful of success. Here is something that is, I think, a very considerable achievement by the Metropolitan Police, by the MPA, something I think you have probably been involved in too; a massive, massive effort has gone in now to making savings that allow us to do this and instead of greeting this in a spirit of collegiality and fair-mindedness. You are so resentful of what has been achieved.

Dee Doocey (Chair): Let us cut out the personal remarks, Mr Mayor.

Joanne McCartney (AM): You mentioned in your opening about Project Daedalus, the crime prevention scheme for those that have been in trouble and have been in Feltham, which we think is a good scheme, and again funded by Government money and LDA money. The LDA

money has now gone, and I know that from a response I have got from your Deputy Mayor you cannot guarantee funding after next May.

Boris Johnson (Mayor of London): Well that is really in the same sort of general line of country and that is a good question. It is the same line of country as Darren's question.

Joanne McCartney (AM): So come 2012, with all these schemes, what is going to happen?

Boris Johnson (Mayor of London): Joanne, I am absolutely confident that the Project Daedalus, the Heron Unit, and indeed its expansion will continue to be funded.

Joanne McCartney (AM): Once we have got the Olympics out of the way, what do you expect to happen to the policing budget? We have already heard today, for example, that we believe the capital city grant will be reduced following the Olympics. Does that give you cause for concern?

Boris Johnson (Mayor of London): As I said to John earlier on, this is a budget call for this year. I am delighted that we are moving in the right direction, by the way, on Olympic security funding. I think the Government is doing the right thing there. I believe very strongly that this is a city that is getting safer but people need to feel reassured by visible policing and we are going to keep that going.

Joanne McCartney (AM): If I can finish on one final point. That is returning to the safer neighbourhood point that Caroline raised and I want to raise it again, which is: how can you make pronouncements today about SNTs when the Metropolitan Police Service has not yet come back to us with their review?

Boris Johnson (Mayor of London): As I said, what I am giving you today is our plans and our method for increasing the number of frontline officers. Clearly, there is a discussion going on about the exact deployment of SNTs and some of the configurations. I have repeatedly said that there is room at the margin for flexibility in the geometry of those SNTs, and I am content with that. We have had this discussion many, many times, but what you cannot do is reduce the overall SNT coverage. We are going to keep SNTs in each of London's 638 wards.

Joanne McCartney (AM): In fact, what you have said before is that you would not get involved; you thought this was an operational decision totally for the commissioner. You are now saying that you think he should only work around the edges of things. Have you changed your view?

Boris Johnson (Mayor of London): No. What I am saying is that the commissioner and the police service will now have the resources for the next year to get on with safer neighbourhood policing in London in the way that they want to do.

Joanne McCartney (AM): You have just said around the edges. Are you now saying that they can do what they like? I'm not sure whether you believe - as a Mayor and going to be

directly elected Mayor for the police service – you have a say in what the framework of those SNTs would be.

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

Joanne McCartney (AM): You think you do now?

Boris Johnson (Mayor of London): Yes.

Joanne McCartney (AM): Last time you said you were not going to get involved.

Boris Johnson (Mayor of London): What I said is there is room at the margin for discussion about the geometry of the SNTs, and there can be some flexibility there, but the vital thing – and this is where I come in, this is where you come in, this is where we all come in – is that London wants SNTs in 638 Wards. It wants to see the PCSOs out there. It wants to see the Police Constables out there, and that is what we are going to achieve.

Joanne McCartney (AM): So, do you have the final decision in this?

Boris Johnson (Mayor of London): This is a process of consultation, and I think the commissioner and I are completely at one in seeing the importance of SNTs in our city. I think you are trying to create a kind of distinction without a difference between us.

Steve O’Connell (AM): I fully understand why colleagues on the other side are concentrating on numbers around SNTs. There is a political point to be made and that is their comment.

Boris Johnson (Mayor of London): It is not a valid point.

Dee Doocey (Chair): Can we have a question rather than statements.

Steve O’Connell (AM): It is a point that I would understand colleagues on the other side making, but I would not necessarily agree with it. Would you not agree that that kind of logic may backfire on them in some months’ time, because at the end of the day you will be delivering, in numbers, more police officers on the frontline and throughout the Metropolitan Police Service than you inherited from your predecessor? Would you also not agree that there is something of a fixation around input and not around outcomes?

Boris Johnson (Mayor of London): Yes.

Steve O’Connell (AM): As you stated earlier, crime is reducing in our city. If you are fortunate enough – as I am and other colleagues – to be councillors and also have some relevance on the front line; we know we have felt that out there, as opposed to some colleagues who perhaps do not have that relationship. So would you Mr Mayor, first of all, agree with me that actually, when it comes to figures, you will be telling us a very good story by the end of your mayorality and indeed when it comes to outcomes?

Boris Johnson (Mayor of London): Yes, you are so right, Steve. You are so right. All the conversations we have, about crime figures and police numbers, the most important thing is how people feel about crime and their personal experience. I do not in any way want to minimise the experience of Londoners who have been victims of crime, but this is a relatively very, very safe city and it is becoming safer. I strongly believe that one of the ways to make it safer is to get more police officers out there, because they give the sense of reassurance and confidence that we need to go about our lives. That has a big economic impact as well because the safer a place feels the more readily people will invest and expand their businesses, and that is what I want to see.

Steve O'Connell (AM): Mr Mayor would you agree with me that, indeed, the management and supervision of the SNTs is something that is due to be looked at. I believe that over eight years, particularly under your mayoralty, we have had an increase of something like 600% - in many of my wards 900% - in numbers. I do not think we have actually seen the output that one would if one was in business to see that increased resource. Would you agree with me that we need to look at the management and, indeed, the supervisory levels of the sergeants out there? It is far too low. It makes enormous sense for one manager - a senior manager, which is what a sergeant is - to be able to look across in some areas, to wards, to increase the productivity of the teams underneath him or her.

Boris Johnson (Mayor of London): That is exactly the right point to make, Steve, and I am grateful to you for all the work you do, both in Croydon and of course on the Fire Authority. I think you are making a completely commonsensical proposition, which I think is basically accepted around this horseshoe and I think underpins what we are doing.

Steve O'Connell (AM): Yes. Lastly, just to be clear for the record, the teams out there will indeed be seeing increased numbers out on the streets, what with the change of patrolling - single patrols, which is to be welcomed - with the increase in specials on Friday and Saturday nights. Also, I thank you for your offer out to the boroughs - which is a very attractive offer - to be able to purchase officers. No doubt, even in these straitened times, many boroughs will be looking at that offer in a way of augmenting the patrols within those boroughs. So I would thank you for that and welcome your comments around that.

Boris Johnson (Mayor of London): I think it is a very sensible way of doing it; I think the buy one get one free scheme is very good, and I just remind you of course, it was in Croydon that we launched the safer transport teams - wasn't it - that have actually been so successful and that we have been running out across London.

Tony Arbour (AM): Don't you think it is sad, Mr Mayor, that the opposition - particularly in the case of the Liberal Democrats - are all smoke and no mirrors, in as much as they would have made their contributions no matter what you had said?

Boris Johnson (Mayor of London): Yes. There has not been a great discussion so far, but I think the only slight defect I would say, Dee, is that some people have had their press releases prepared.

Tony Arbour (AM): Indeed.

Boris Johnson (Mayor of London): They are not sufficiently free to put --

Dee Doocey (Chair): Could I just remind Members we are addressing questions to the Mayor on his budget.

Tony Arbour (AM): Well, I have asked him whether or not he thinks that --

Dee Doocey (Chair): That is not on his budget, Tony.

Tony Arbour (AM): I wonder, Mr Mayor, whether you would accept that there are many Londoners who think that the most important thing in relation to police numbers is not how many there are but what they are actually doing, and that many people would consider, with regard to SNTs, that the most important function of the SNT is that it should be giving reassurance on the street and it matters not one wit to many residents whether it is a police constable or whether it is a sergeant who is patrolling those streets. Therefore, it makes very considerable sense for the for the very expensive resource of a sergeant to be doing the sort of job that we think that that level of management should be doing. Certainly, in my ward - and I am extremely happy with the numbers that I have on the streets in keeping crime down - I do wonder whether or not my SNT sergeant is not bored out of his mind, and that the residents - and, indeed, the police service as a whole - would be much more grateful if this sergeant was exercising his considerable talents in stopping crime and doing the things which we principally expect junior management to handle?

Boris Johnson (Mayor of London): Yes, absolutely right. When you have got people in an essentially managerial function, who have a great deal of talent, a great deal of energy, it is appropriate I think to allow them to manage more of the people that we want out there on the streets in the SNTs and that is exactly what we are doing.

Tony Arbour (AM): Thank you.

Jennette Arnold (Deputy Chair): I am glad that Brian mentioned my name, in terms of the relationship we have together regarding constituencies, but can I just say to you, Mr Mayor, that it concerns me that you have been sending mixed messages. Caroline tried to get some certainty from you about the sergeants and she could not get it, but when Brian spoke up about the need for suburban wards, you said there will be no reduction in the numbers of staff within the SNTs working in those areas. You cannot have it both ways. Are you going to take sergeants away from SNTs? I just want to caution you before you say 'Yay' or 'Nay', the smaller and quieter neighbourhoods that I have in my constituency differ again from Brian, because these are wards in the Borough of Waltham Forest, which has some of the busiest and some of the wards with the highest crime indicators.

Boris Johnson (Mayor of London): Absolutely.

Jennette Arnold (Deputy Chair): Waltham Forest also - the people - are behind the call for the 120 police officers that they are short of, and you will recall 6,000 of them put their names to a petition. So it is the complexity --

Boris Johnson (Mayor of London): I do, of course, I do, and so I think they will be --

Jennette Arnold (Deputy Chair): Can I just finish. It is the complexity of the needs of localities you are not addressing, and this blanket statement that is in your budget about the reduction of 100 sergeants is totally unacceptable. So are you with Brian, and the rest of us, of the sensible majority, who say you should not be removing sergeants from SNTs?

Boris Johnson (Mayor of London): As I said, I think the critical thing is that we do reflect the very different circumstances of wards and boroughs across London and we allow some flexibility. But the critical thing that I think your constituents - people in Waltham Forest - will want to know is that there are going to be the same number of SNTs.

Jennette Arnold (Deputy Chair): Not sergeants.

Boris Johnson (Mayor of London): There will be the same number of officers patrolling; that there will be the same number of officers patrolling.

Jennette Arnold (Deputy Chair): Sergeants. They love their sergeants. Unlike Tony Arbour, they love their sergeants; unlike Tony Arbour the sergeants in Waltham Forest do not sit about having tea; they are not bored. If you go out there and meet proper Londoners, rather than the 'invite only' Londoners, they will tell you they love their sergeants. Many of them have had experiences of sharing sergeants and they do not like it. Will you move away from this proposal in your budget to remove the 100 sergeants out of the SNTs because if you do not we will hound you.

Boris Johnson (Mayor of London): I look forward to be hounded by you, Jennette, in any way you choose, but let me tell you the key point is that the SNTs remain, not only intact in every ward in London, but - I think this is what people in Waltham Forest and around the city will want to know - we are increasing the number of frontline officers.

Jennette Arnold (Deputy Chair): Thank you.

Boris Johnson (Mayor of London): That is an incredibly difficult thing to have achieved in very, very adverse budget circumstances. I really think, in all fairness, you should pay tribute to the work of the MPA and your --

Jennette Arnold (Deputy Chair): I am a member of the MPA. We do the work. Thank you. We all do the work.

Boris Johnson (Mayor of London): Well, since it is your budget, I think you should take a little bit of pride in it and you should pat yourself gently on the back --

Jennette Arnold (Deputy Chair): It is okay. Mr Mayor, you have not answered my question and you are not going to.

Boris Johnson (Mayor of London): I have answered your question very fully. Thank you.

Gareth Bacon (AM): Mr Mayor, I am experiencing a certain amount of confusion about the uncharacteristically uncharitable cynicism that Darren Johnson expressed earlier when denying you credit for freezing the precept this year. He implied - in fact he stated directly - that it was as a direct result of the excellent Conservative policy to freeze Council Tax.

Dee Doocey (Chair): Your question, Gareth?

Gareth Bacon (AM): Well, my question, Madam Chairman, is that this is the third consecutive year that you have frozen your precept. Was that policy in place in years one and two, and if not why did you do it then?

Boris Johnson (Mayor of London): Well, as I said to you before, Gareth, the freezing of the precept is something that I decided to do because the precept falls disproportionately on some of the poorest households in the city; it is an expenditure they cannot avoid and I think by freezing it for three years in a row we have been able to cut our share in real terms by 10%, and that is a good thing to do in tough economic times and that is why we have done it. You can do that by getting rid of some of the nonsense and getting rid of some of the waste. That is also what we have done with the Police budget. I see some smiles around the room; they know basically that that is what has happened. I think there is a certain formulaic element now to the attacks that are being made.

Gareth Bacon (AM): So rather than a one-off, as was cynically implied, this is actually a continuation of a consistent philosophical approach.

Boris Johnson (Mayor of London): Yes, of course it is; of course it is. I know that Roger will now come in and ask me to commit myself to further such freezes and perhaps even Darren. All I can say is: this is a budget for this year. All options remain open for next year.

Gareth Bacon (AM): Thank you, Mr Mayor. I am no longer confused.

Kit Malthouse (AM): Mr Mayor, a small point. I had the good fortune of being in Waltham Forest this very morning, at 5.30am, while Jennette was no doubt still sleeping --

Dee Doocey (Chair): No personal remarks, please.

Kit Malthouse (AM): -- visiting their brand new custody centre just opened two months ago at headquarters, but also watching the brave men and women of the Metropolitan Police Service kicking in doors on a number of alleged gang members trying to recover guns in that part --

Boris Johnson (Mayor of London): Yes.

Kit Malthouse (AM): While I understand the Labour Party attachment and desire to retain levels of management in the Metropolitan Police Service, would you agree that that is not necessarily the best way forward for boroughs like Waltham Forest, and that the most constructive thing that Assembly Members can do is encourage their boroughs to participate in the buy one get one free scheme that we're running on police officers. As I have to say, pleasingly, without Jennette's input, Waltham Forest is doing. We are having extremely constructive talks with them about funding more officers for the borough.

Boris Johnson (Mayor of London): Absolutely. As it happens, I think that - as you know, because we had a very good session up in Waltham Forest with some of the members of the community up there talking about some of the issues around gang crime - there are particular concerns that everybody has about that time of crime in Waltham Forest. It is appropriate that they should take the measures that you describe to deal with it. I just repeat I am delighted that the MPA has supported this plan. I think Jennette should take some credit for her work in bringing this budget to life, and, as I say, a small pat on the back.

Dee Doocey (Chair): I have got a point of personal explanation from Jennette Arnold.

Jennette Arnold (Deputy Chair): Firstly, Kit Malthouse has just stuck his tongue out at me, which is --

Kit Malthouse (AM): Also winked, and winked, Jennette.

Jennette Arnold (Deputy Chair): -- not the way to be. Can I just say for the record, Madam Chair, that had Kit showed some respect to the role that I've been fulfilling for some ten-odd years representing Waltham Forest on the police authority, and invited me along, I would have been there at 5.00am waiting for him to arrive; so there. I also want him to know, and to make note, that I am fully aware of his discussions with the leader as Councillor Chris Roberts and I, and the Executive Member regularly meet and work in together.

Dee Doocey (Chair): As you know my patience is legendary, but can I just remind Members that we've got quite a lot to get through, and we're going to be here for quite a long time, so can we just try to stick a bit more to the issues. The next section we are going on to is LFEPA.

(iv) London Fire and Emergency Planning Authority

Roger Evans (AM): I note this year the Labour Group are expressing some concerns about the level of reserves. It didn't stop them last year suggesting reserves should be cut by £7.8 million, and in fact the Liberal Democrats proposed reserve reductions last year of £25.2 million. Given that if we'd followed their advice our people would now be facing significant frontline cuts, in light of your priorities this year. Is the process now being taken going to be able to ensure LFEPA remains solid and stable in years to come, particularly as now the Greens have joined the reserve hunt; apparently to take some out this year?

Boris Johnson (Mayor of London): Roger, I'm afraid I did not quite catch all of that, but the gist of the answer is, yes, of course: frontline coverage by the fire service will be maintained. That is what we're all about and there has been a consistent history of underspend by LFEPA. That is why the reserves built up in the way that they did. I see the illustrious former and current stewards of LFEPA, to whom I pay tribute for their work in building up those reserves, because they have enabled us to wire the cash to where I think Londoners want to see it spent.

Roger Evans (AM): You have mentioned 'illustrious former and current stewards of the LFEPA' --

Boris Johnson (Mayor of London): I pay particular tribute to current stewards of that office.

Roger Evans (AM): Indeed, but we know you are famously fair and open-handed when it comes to talking about what Members around this table have achieved. So, what is your view of the resolution of the shift patterns dispute, and do you think that after six years of dithering and delay under Labour, the resolution of the dispute means that LFEPA will be able to be more efficient and produce more savings in the future?

Boris Johnson (Mayor of London): I think this was something that was clearly very contentious; an argument that went for a long time. I know that the position that was eventually adopted had unanimous support from LFEPA. So I do congratulate the Chairman of LFEPA on that achievement and I think it is a good and productive way forward for London's fire brigade. The key thing there is to pay tribute to the work of London's fire brigade in continuing to reduce the incidents of fatalities from fire in our city, which is the most important thing.

Roger Evans (AM): As we are being collegiate and friendly this morning, Mr Mayor, will you join me in congratulating Navin Shah on not producing any amendments to the LFEPA budget. This morning is it not clear that when Ed Miliband said that Labour's policy was a blank page at least one leading Member around this table took him seriously?

Boris Johnson (Mayor of London): You will not tempt me to deprecate the contribution in adding to the work of LFEPA, which he did over many years, and I know one important point in those discussions was that the settlement had the support of Navin Shah and that was important.

Mike Tuffrey (AM): Mr Mayor, could you tell us what is going on with these reserves in LFEPA? In your first year they were £40 million; in your second year £43 million; at the end of this - your third year - they are £53 million. A cynic would say that you're building up a piggybank, a cash reserve, for election year because the final year is election year. What is your strategy for these tens of millions of pounds of Londoners' money that you are hoarding in LFEPA?

Boris Johnson (Mayor of London): Well, unless you weren't here at the beginning of the proceedings this morning, it would be pretty obvious that what we --

Mike Tuffrey (AM): Tell us again.

Boris Johnson (Mayor of London): -- need to do with the surplus that has been built up over many years, partly because of the way LFEPA run is I think in very, very tough financial circumstances we are doing what I think Londoners will want us to do with the reserves.

Mike Tuffrey (AM): Good, because that is the answer I wanted you to say. In which case --

Boris Johnson (Mayor of London): We are using them to --

Mike Tuffrey (AM): No, you're not. You're not.

Boris Johnson (Mayor of London): We're using them to expand frontline policing.

Mike Tuffrey (AM): In your budget, Mr Mayor, you say, "The Mayor will be asking LFEPA to develop plans for the use of reserves". There it is in black and white on page 8. I find it extraordinary after the financial situation that we are in - and will be debating later - that we have not had from LFEPA a comprehensive plan for the sort of reductions that will necessarily have to be made because of the financial situation we are in, and your budget before us this morning - in black and white - says that you will be asking. If I was Mayor I would have had a plan on my desk three months ago for sorting this out.

Boris Johnson (Mayor of London): Sorry, I fail to understand your point, Mike. We are using LFEPA reserves to expand frontline policing, and that is what Londoners want us to do.

Mike Tuffrey (AM): Well, I will leave it there, then, Chair.

Boris Johnson (Mayor of London): I think you had better.

Richard Barnbrook (AM): With regards the spending plan for the fire brigade. Inflation which is 2.6%, on what rate is that based?

Boris Johnson (Mayor of London): The rate of inflation, what, the RPI or the --

Richard Barnbrook (AM): The RPI, because at the moment the idea is that inflation should be at 2% and at the moment it seems to be going towards more like 4%. So to find £2.6 million I just want to know what sort of rates system you are actually using to get it to £2.6 million.

Boris Johnson (Mayor of London): All I can tell you is this is LFEPA's estimation of how inflation will impact on their --

Richard Barnbrook (AM): The only reason I ask this is that if inflation does rise considerably over the next year, will £2.6 million be sufficient?

Boris Johnson (Mayor of London): Are you talking about a 2.6% rise in inflation or £2.6 million?

Richard Barnbrook (AM): £2.6 million. So I want to know whether £2.6 million is based on --

Boris Johnson (Mayor of London): I am with you. I believe that this provision will be adequate for the purposes outlined.

Richard Barnbrook (AM): Thank you.

Navin Shah (AM): I accept and welcome the fact this year LFEPA had a better than expected settlement, and that of course is reflected in terms of the relatively low level of savings required. Having taken that £20 million from LFEPA's reserves - and I accept one would call it probably for a worthy cause - what plans do you have to protect frontline services for the last two years when there will be a financial crisis due to the backloading arrangements?

Boris Johnson (Mayor of London): Just for the avoidance of doubt, and I know this was something that I think possibly Mike was driving at as well, LFEPA reserves are still projected, in spite of what we are doing, to be at £34.2 million at the end of 2011/2012. Much more importantly, I am absolutely confident that frontline fire coverage will be protected.

Navin Shah (AM): I really want more than that because when we look at, yes, healthy reserves currently - or they were - £53 million, of that £20 million has been taken, as I said. I won't quibble about it, given where it is going. The fact is the projected level of financial gap we have for the last two years currently is £78 million. That is on a 22% basis. On top of that, we have got an additional cost of £8 million projected for next year's budget and of course whatever the precept situation is.

Boris Johnson (Mayor of London): Yes.

Navin Shah (AM): Then if you allow about £11 million, which is the minimum level of reserves required, that puts us - and I am not undermining the situation - where we are looking at a real financial crisis for LFEPA. Given that, what is your strategy? You have got to have a strategy now, not saying after one year, two year or three years. We have got to work on it collectively and how do you propose to do that? What do you have in mind? How will you actually save our frontline services? It is not good enough to say, "Oh, I'll be saving the frontline services". What is your resolution?

Boris Johnson (Mayor of London): As I say, again in the spirit of collegiality and I pay tribute to the work that you have done on LFEPA, I remind you that we are able to make this transfer of funding from LFEPA reserve because of the very substantial reserves that have built up. There will remain substantial reserves. We are confident that - thanks partly to the reforms that you have supported and you have helped to implement, and I congratulate you on that, and I thank you all your work there - we will be able to go forward and protect frontline services.

Navin Shah (AM): Where do you think we will try to find those extra savings, for building up reserves, which is what you think we will be doing? Where will that money come from and are

you able to give a commitment that, when it comes to the crunch, the financial crisis, you will not be looking at closing fire stations, reducing fire fighters and reducing fire appliances because that is a serious danger?

Boris Johnson (Mayor of London): As I said throughout, there remain substantial reserves. It is my absolute intention, and my commitment, to retain London's essential fire cover; to retain the fire cover that we have, and it does really a very, very good job.

Navin Shah (AM): When are you planning to seriously look at the crisis they are facing to give Londoners a real assurance that they will not be looking at massive closures of fire stations and everything, and therefore putting at risk lives and --

Boris Johnson (Mayor of London): Navin, if I may say so, you continue to use the word 'crisis' to refer to budget organisation that you have yourself supported and participated in, that is actually delivering very good results for London. So I think you are slightly trying to occupy two positions at once. I am content that we have a substantial sum in reserve for LFEPA and that we will be able to maintain London's fire cover.

Navin Shah (AM): Mr Mayor, I have two positions for obvious, practical reasons. That is this year is not a problem in terms of the cost we are looking at. It is the future crisis and that is what it is, and I want you to have --

Boris Johnson (Mayor of London): I think what I perhaps take away from this conversation, Navin, is you do not think there is a crisis at the moment but you imagine that there might be a future crisis. I dispute that there will be a future crisis.

Dee Doocey (Chair): We are now moving on to the penultimate section, which is TfL.

(v) Transport for London

Richard Tracey (AM): Thank you, Madam Chair. First of all, Mr Mayor, can I congratulate you on what you have achieved, what you have announced on the TfL Budget, because you are, after all, the Chairman of TfL, as well as being the Mayor of London. You have, indeed, reduced the precept to £6 million, rather than I think it was £12 million before, and so can I ask you to share with us your thinking that transport services should be paid for by fare payers, including the great numbers of tourists who come to London, rather than being taken from the precept of Council Taxpayers, many of whom do not use public transport? Just as a sideline, of course, actually the revenues of TfL have gone up above the predicted levels that they had at the beginning of the crisis. Is that not correct?

Boris Johnson (Mayor of London): A few things there, Dick, and thank you for all the work that you do to support TfL. It is necessary for us to make a precept payment for TfL, just for VAT purposes, as you know, so that is why the £6 million continues there. On the general issue of how to fund TfL and where to strike the balance, it remains the case, in spite of all the difficulties that the public finances have had, that fares in London remain lower than most other

cities on the buses. The average bus fare is still 59 pence, and we have retained, in spite of the fierce opposition of some sectors of the Liberal Democrat Treasury, absolutely we have persisted in – well, you guys, you have got to have a consistent line here – to go directly to Dick's question, maintaining support for the most vulnerable, particularly the elderly, the older people and younger people. I think it is very important in tough economic times that you do that.

Richard Tracey (AM): I believe that we are going to hear about an amendment to your budget from the Labour Party later on, where they would like to take money out of the reserves and then reduce the bus fare down to an RPI increase, knocking off the plus 2% increase. This all smacks of the whole business of bus subsidy – the enormous bus subsidy – what are your views on the use of bus subsidy? Surely, it is actually in the end damaging the TfL rather than of any benefit.

Boris Johnson (Mayor of London): We have – as you know, and everybody knows – bus subsidy from taxpayers across the country soared to about £700 million. We have been able to reduce it by prudent management of the finances, but not by sticking up the fares too high. If you look back at the record of the previous administration, which was supported strongly by Members here, there were very substantial increases in fares. We do not want to have excessive increases in fares. We have borne down as far as we possibly can on the fare box, and I think that is the way to go.

Richard Tracey (AM): Reducing the bus subsidy of course means that some of those funds can go to other projects: existing projects and future projects. Isn't that a better use of resources?

Boris Johnson (Mayor of London): Yes, and I think what Londoners want to see is TfL's money managed sensibly. They want to see less money wasted, and that is why we have had savings of £763 million in one year alone. That is a huge quantity to save from our transport budget, and I congratulate TfL on what they are achieving. There is more to be done, as you know. I think there is more to come out under Project Horizon.

Richard Tracey (AM): What are you aiming at getting the bus subsidy down to?

Boris Johnson (Mayor of London): You will have the figures in the Business Plan, Dick. From memory, they are going down to about £485 million.

Richard Tracey (AM): That is right. You have clearly stated that you have prioritised the likes of the tube upgrades and Crossrail within the programme for TfL. Therefore, are you going to continue to prioritise those? We hope you will have a future term as Mayor, of course. Is there a danger that those sort of priorities could be lost if you are not the Mayor?

Boris Johnson (Mayor of London): What I think is not fair to people is to promise that you are going to keep fares down in the run up to an election and then whack them up when you get in, as I seem to remember was the habit of a previous incumbent of this office. I think that is absolutely disreputable. If I may say so, I do not think there is any point as Mayor of being elected, whacking the fares up and then as you come towards an election suddenly thinking,

“Oops, you can fool the public by slamming the brakes on and announcing a fares freeze, whose sole effect is to leave a black hole in the finances”. That is not the way to manage TfL's finances. That is not what we are going to do. We have had a prudent system of management of our finances. We have kept the concessions and we have been able to keep the fare rises to a bare minimum and, indeed, we have been able to keep London's fares competitive, indeed, even lower than most other cities in this country.

Richard Tracey (AM): Can I ask you about one or two other priorities that I hope are within your sights. One particularly is your excellent bike scheme, which those of us in west London notice tended to be the centre and east London. Can I ask you, in the process of budgeting for TfL, to look at extending it westwards, which --

Boris Johnson (Mayor of London): You can, and there is no more doughty champion than you of the part of London that you represent. If finances permit, we do indeed intend to extend it westwards. There are discussions going on at the moment about how that might be funded because patently we have a funding gap for infinite expansion of the bike hire scheme but we are determined to go as far and as fast as we can.

Richard Tracey (AM): Other priorities on the railways too. I know that TfL are looking at extensions of the tram link between Croydon and Wimbledon, and indeed elsewhere in south London. Can we have an assurance that you will be really pushing on with that, and indeed looking at the use of other underused railway lines?

Boris Johnson (Mayor of London): You certainly can. Indeed, you may find, Dick, that we have something more to say about the Croydon tram link that I think will be very interesting in due course.

Richard Tracey (AM): The last one I want to ask you is: in this whole talk of TfL budgets we have heard quite a lot over the weeks about the removal of the western extension of the congestion charge zone, and the apparent loss of revenue as a result. There have been various figures flying around about that. Can we have an assurance from you that in no way will you consider replacing or reinstating the western extension zone, which I believe one of your competitors for the mayoralty next year is talking about?

Boris Johnson (Mayor of London): I can imagine that there will be proposals from the Labour Party to impose congestion charges, not just in the western zone but possibly elsewhere in London. This has been done before in an anti-democratic fashion. It is not something that I could conceivably support.

Gareth Bacon (AM): In your opening remarks, Mr Mayor, you referred to the LIPs funding, and the £22 million that was due to be taken out of LIPs funding over the next two financial years that you were restoring. As you know, this is something the Conservative group has been keenly pursuing with your office, so we are delighted by that announcement and we would like to thank you formally for it. In connection with it, Mr Mayor, one of the things that you did soon after you became Mayor is that you liberalised a little bit the categories that boroughs would need to meet, in terms of being able to apply for and spend LIPs funding. Obviously it

must advance your transport strategy. You reduced it, I think, from around about 25 categories to about four. Could I ask you, Mr Mayor, to perhaps take it away and look at it again and see if it might be possible to further liberalise that on behalf of the boroughs?

Boris Johnson (Mayor of London): I will. Gareth, I am grateful that you draw attention to the liberalisation that we have done with the LIPs funding, and also it is good that we have been able to increase LIPs funding from the projected budget. I will have a look at that. We will do what we can. I am in favour of giving boroughs maximum possible flexibility but there will be occasions when we want to make sure some strategic objectives are held in common.

Gareth Bacon (AM): Thank you, Mr Mayor, that's brilliant.

Valerie Shawcross (AM): Mr Mayor, you have just told us that you have a whack the fares up policy and that annually --

Boris Johnson (Mayor of London): No, I am sorry I think that is complete nonsense. I have said no such thing.

Dee Doocey (Chair): Can Val finish.

Valerie Shawcross (AM): You did just say you whack the fares up annually.

Boris Johnson (Mayor of London): That was your policy. I am sorry that was your policy --

Dee Doocey (Chair): Sorry, Val, excuse me. Val will ask her question and then, Mr Mayor, can you answer.

Boris Johnson (Mayor of London): Well, she can't misrepresent me.

Dee Doocey (Chair): Val will ask her question and you can make any comments - if you think you have been misrepresented - in your response.

Boris Johnson (Mayor of London): Could I possibly just ask one question?

Dee Doocey (Chair): No.

Boris Johnson (Mayor of London): On a point of order.

Valerie Shawcross (AM): Mr Mayor, if you would care to change places and I'll be the Mayor and you can be the Assembly Member.

Boris Johnson (Mayor of London): I think, Val, for too long you have allowed your light to be hidden under a bushel and I think it is unbelievable. Why is it that the same old stale solutions are produced by the Labour Party to the issue, and here we have a fantastic candidate for Mayor: a woman, a new candidate and someone with fresh ideas and fresh thinking. It is unbelievable that they should have gone back to the same old stale --

Dee Doocey (Chair): Mr Mayor, right, cut it out and behave, please, all of you. Val Shawcross?

Valerie Shawcross (AM): Thank you, Chair. You have just said, Mr Mayor, that you have a whack up the fares policy.

Boris Johnson (Mayor of London): No, I have not. You have.

Valerie Shawcross (AM): I think it is pretty clear from the budget that between last year and next year's budget there will be something like £445,000 additional fares take coming to TfL, and my concern is that when we look at the services to Londoners there is no sense in which they are getting an improved service to match the escalating costs that they are paying in the fare box.

Boris Johnson (Mayor of London): Can I just say --

Valerie Shawcross (AM): In particular, if I can just focus for a minute, Mr Mayor - do forgive me - on the performance of the Underground. I was looking at the papers that went to the TfL panel last week, and for each of the three months of the last year, 2010, not one single Underground line met its kilometre target. Every single Underground line failed to reach its target quite dramatically. What are you going to do about that, Mr Mayor?

Boris Johnson (Mayor of London): Actually, Val, this is an excellent question and it is actually a reprise of the discussion that we had a few weeks ago in MQT because there has been an issue about kilometres travelled. Ridership is going up. The amazing thing about the Underground service is that we are continuing to see an increase in the number of passengers, in spite of the strikes, in spite of the difficulties that the service has experienced, but there is no doubt that the upgrade programme has affected the kilometres travelled, and that is just commonsense. It will do that. If you look at the graph now - and I can assure this is something I am looking at very, very beadily indeed - it is starting to move upwards sharply again, because we are beginning to see the good impacts of those upgrades. If you ask me what --

Valerie Shawcross (AM): With respect, Mr Mayor, that true performance basically --

Boris Johnson (Mayor of London): -- we are paying for, we are paying for the increases in capacity that will make Londoners' lives easier and make their travel more convenient. The overall increase in capacity provided by upgrades is in the order of 30% and that is fantastically important.

Valerie Shawcross (AM): With respect, Mr Mayor, I am talking about the service running. Yes, we all support the upgrade programme, but performance fell off a cliff --

Boris Johnson (Mayor of London): No, that is not true.

Valerie Shawcross (AM): -- on the District Line, the Metropolitan Line and the Northern Line in August, and then on the other lines in September, and they have not recovered significantly. They have not recovered.

Boris Johnson (Mayor of London): No, that is not true. That is not true, because as I say --

Valerie Shawcross (AM): I notice in your budget document you are actually planning to cut back maintenance expenditure, at appendix D, by £55 million, on the Tube. So, apart from - as you were quoted in the Evening Standard, and I hope this isn't true - screaming down the phone at Peter Hendy, what is your strategy for actually improving the reliability of the Underground service which is an an appalling low?

Boris Johnson (Mayor of London): My strategy is one that everybody understands and I hope you support too, Val, which is to continue with the upgrade. Because it is the upgrades and securing the funding for the upgrades - which by the way people never thought we would achieve - it is securing that funding that is enabling us to put in --

Valerie Shawcross (AM): But --

Boris Johnson (Mayor of London): -- can I just finish the answer; put in the signalling; improve the service and increase capacity, and that is what it is all about. I am afraid if you look at the most recent graphs you are starting at last - particularly, as we come now to the end of the work on the Jubilee Line - to see an improvement in Jubilee Line kilometres travelled, and miles travelled, Victoria. That is what people want. I cannot deny - and I am not going to deny to you, Val - that there have been difficult times during this upgrade. Putting in any very complicated new software signalling system will have teething problems, and of course there have been --

Valerie Shawcross (AM): Sorry, Mr Mayor, the upgrades have been running for some time now.

Boris Johnson (Mayor of London): -- frustrations but, as I said, you are starting to see an increase in kilometres travelled.

Valerie Shawcross (AM): Mr Mayor, the data does not back that up.

Boris Johnson (Mayor of London): It does.

Valerie Shawcross (AM): The upgrades have been running for some time and the beginning of two thirds of the year targets were met and they have crashed. There is something going wrong in the management and in the expenditure that is going on at the moment.

Boris Johnson (Mayor of London): Well, that is not true, Val.

Valerie Shawcross (AM): Can I just move on, Mr Mayor. I was looking - if I dare admit it - to your Back Boris website the other day. You have been talking about manifesto issues, and you

did say in that you were concerned that, basically, under Labour you felt that a number of London residents were being unfairly penalised for where they live in London and you go on to tell us that there has been a revolution in transport since you came to power. Looking at your budget, Mr Mayor, I just do not see one single thing in your current budget proposals or indeed in your business plan for the next seven years – a single thing – that will benefit outer London passengers. We have seen the Tube ticket office staffing levels cut enormously: 800 staff removed. We have seen the fares escalate. We have seen not one single good public transport development in outer London. What is in your budget for outer London because, as far as I can see, there is absolutely nothing?

Boris Johnson (Mayor of London): Even by your admittedly low standards of invective against me, I think if you look at what we have done for travellers in outer London, Oysterisation for the overground network has been of fantastic value, and there has been a massive --

Valerie Shawcross (AM): So what are you doing to help zone 6 passengers get to work every day?

Boris Johnson (Mayor of London): Zone 6/zone 7 passengers can now use their Oyster on the Overground in an integrated way that is of great value to them, and there has been a colossal increase in usage.

Valerie Shawcross (AM): So what is in your future budget? We are talking about next year's budget, and we could talk about the business plan. Is there anything in this budget at all that benefits outer London passengers? Apart from closing their ticket offices and making their fares higher, there are no improvements in service at all; either development projects or service upgrade.

Boris Johnson (Mayor of London): Again, I point out that we are not only going to be introducing new trams but we have increased the LIPs funding for outer London and unlike your administration, which simply failed to do this after years of drift and dither, we have Oysterised the overground system greatly to the benefit of the whole of London.

Valerie Shawcross (AM): So, talking about next year, I don't see a single penny anywhere in your budget or in your business plan devoted towards reinstating Mayor Ken Livingstone's plans for tram system expansion. Can I just give you a quick couple of multiple choice questions, Mr Mayor, because politics is all about choices? Do you think it is better for the outer London travelling public to spend £55 million a year having removed the western extension of the congestion charge zone, or to spend £55 million a year improving step free access and doing something, for example, for Harrow-on-the-Hill station, or for Greenford station where they had their well-planned escalator project zapped. Do you think it is better value for money for outer London transport passengers --

Boris Johnson (Mayor of London): It may be, Val, that when you become --

Valerie Shawcross (AM): -- to spend £55 million making it easier to drive in central London or spend £55 million making it possible for them to use the transport system we have already got?

Boris Johnson (Mayor of London): It may be, Val, that when you succeed in your aim of displacing the current Labour candidate and run --

Valerie Shawcross (AM): Sorry, this is a multiple choice question, Mr Mayor, you can say a) or b).

Boris Johnson (Mayor of London): -- you may wish to advocate congestion charges around London, in areas like Harrow. That may in fact be really what you are proposing.

Valerie Shawcross (AM): Mr Mayor, there are absolutely no proposals.

Boris Johnson (Mayor of London): Then, I would invite you to go to the barricades on that manifesto. If that is really your agenda, then I wish you well on it.

Valerie Shawcross (AM): We have absolutely no intentions of instigating congestion charge zones in outer London. Can I just give you --

Boris Johnson (Mayor of London): What, no intention or no plans?

Valerie Shawcross (AM): -- another multiple choice question: which do you think is better value for public transport passengers and will increase the number of journeys. Is it: a) a new open back bus costing somewhere between £7 million and £11 million; or b) a new additional station on the east London line at Surrey Canal Road, costing somewhere between £7 million and £11 million - a) or b)?

Boris Johnson (Mayor of London): You are completely wrong about the price of the bus. The overall investment in the bus is I think a good thing for the UK economy. It is about time we had the courage to go back and rediscover the roots of TfL as a great pioneering institution that comes up with brilliant solutions for London transport. I think the new bus will be a wonderful thing; it will be cleaner; it will be greener; considerably cleaner and greener than existing buses. It is a sensible investment for our city and I think it is the right thing to do.

Valerie Shawcross (AM): Do you believe that the open bus is --

Boris Johnson (Mayor of London): Now, as for the western extension zone which you want to restore - and you keep going on about - let me just point out to you that this was undemocratically imposed.

Valerie Shawcross (AM): Can I --

Boris Johnson (Mayor of London): We had a consultation. I decided to abide by the will of the people, as I said I would. I think it is very, very important that you keep your promises.

Valerie Shawcross (AM): Mr Mayor, can I move you forward. I want to talk about the future now.

Boris Johnson (Mayor of London): I told the people of London --

Dee Doocey (Chair): I am afraid the Labour Group are out of time, Mr Mayor.

Boris Johnson (Mayor of London): Can I just finish my answer?

Dee Doocey (Chair): You can if it is brief.

Boris Johnson (Mayor of London): I told the people of London I would consult them on the western extension zone and I told them that we would restore and have a wonderful new Routemaster-style bus and we are going to do both.

Valerie Shawcross (AM): Mr Mayor, will you publish the business cases --

Dee Doocey (Chair): The Labour group is out of time, Val. Sorry.

Valerie Shawcross (AM): Thank you.

Steve O'Connell (AM): Thank you. Mr Mayor, would you welcome with me Val's new found interest in outer London boroughs, which I am sure is a trend we will see over the coming months. It would be unkind of me to say that this is her Master's voice speaking. That would be unkind. I would not dream of it. You would agree it would further be unkind of me to ask Val to keep her tanks off my Croydon lawn. I would not dream of it.

Anyway, would you not agree that your record on outer London improvements in Croydon and Sutton have been commendable, and have brought an improvement particularly around a soon-to-be-announced partnership around Croydon trams, and particularly the safety on the buses. How much safer our buses are around Croydon, Sutton and outer London, thanks to your investment. Would you also not agree that your flexibility and increase in LIPs funding gives more powers - again through TfL - to outer London boroughs to deliver their pledges to make the street scene better in those areas? Lastly, talking about transport infrastructure, and speaking legitimately for Croydon, as I do, would you not agree with me that the east London line extension, starting west Croydon, taken out to --

Boris Johnson (Mayor of London): Absolutely right.

Steve O'Connell (AM): -- is a fantastic investment for the good people of Croydon and Sutton?

Boris Johnson (Mayor of London): It is a wonderful scheme. It is a £1 billion air conditioned line linking up Croydon to other hubs of employment - Canary Wharf through to

Hackney – and it is a fantastic development for Croydon, but it is not the end and we are working hard with you, Steve, to deliver yet more for the third city of London.

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

Dee Doocey (Chair): Val Shawcross wishes to make a point of personal explanation.

Valerie Shawcross (AM): Thank you, Chair. I have just been accused of only just recently discovering an interest in outer London. Can I remind the Member that I was the leader of the borough where he is now a member, and was responsible for seeing in the Croydon tram link and was leading on the extension projects that his Mayor actually dropped.

James Cleverly (AM): I have a point of order.

The habit of Members on the other side to jump in with points of personal explanation every single time, even moderate criticism, will actually make the progress of our debates in this Chamber absolutely intolerable. Could we have perhaps a little guidance from yourself as to what type of comments do or do not deserve a point of personal explanation; not necessarily here and now, but perhaps --

Dee Doocey (Chair): I am advised that under Standing Orders any Member who wishes to make a point of personal explanation is allowed to do so. My job is to facilitate orderly debate – emphasis on the orderly – and I am doing what I can to make that happen. I absolutely agree that the more interruptions there are the more time it will take, but Members know that and if they feel that they have been misrepresented they are entitled to make their personal explanation. The next speaker is James Cleverly.

James Cleverly (AM): Mr Mayor, it has become quite clear from the Labour Group’s criticism of your scrapping of the western extension charge zone that their major concern was about lost revenue. That I think indicates a desire to identify points in London where there are car users who have an ability to pay, as a potential easy touch financially. Can you give us some assurances that you are not going to take on board their recommendations to start squeezing car drivers in the more affluent parts of London until their pips squeak?

Boris Johnson (Mayor of London): I have received no representations from people in outer London that they want congestion charges, or indeed the restitution of the western extension zone, although I note that the party over there has not ruled out any such option.

James Cleverly (AM): So we have your assurance that you are not going to use congestion charges as some kind of punitive measure. Can I also then have your assurance that among many of us on this side of the Chamber, who have been far from convinced about the ultimate success of even the original congestion charge zone, that you will not look to extend this into other parts of London which, I think we would all agree, have congestion issues: east London, for example; central London, south of the river, for example. Can you give us your assurances that those won’t be pinged with a congestion charge?

Boris Johnson (Mayor of London): Of course. The way to tackle congestion is to do what we are doing, which is to tackle road works and to smooth traffic flow. On both things we are having now a great deal of success, and average road speeds are now going up again. There was a very bad patch for road works, as everybody knows, when Thames Water was really going through the high point of their repairs programme. That is now steadily starting to come down again but obviously we need to work very hard. The most important thing is that we need to achieve lane rental and for utilities companies and for those who dig up the roads, and we are making great progress in doing that.

James Cleverly (AM): Thank you, and finally, Mr Mayor, will you let us all know if members representing some of those higher congestion parts of London - Southwark, Lambeth, the City and East London, for example - come to you begging you to make good their perceived shortfalls in revenue, will you let us know if they are offering up the parts of London that have those revenue generating --

Boris Johnson (Mayor of London): I know what Val says about wanting to have a congestion charge in Harrow or indeed in Lambeth and it is interesting.

Valerie Shawcross (AM): This is a point of personal explanation.

Boris Johnson (Mayor of London): What, and the other one was not?

Valerie Shawcross (AM): Brian and James are trying to impute that I said we were going to introduce congestion charging in outer London. I said we are not. What I asked for --

Dee Doocey (Chair): One at a time!

Valerie Shawcross (AM): -- was attention to the step free access in Harrow-on-the-Hill and we were absolutely clear about that. They have not got a reasonable argument against what we are putting so they are fantasising and making something up.

Dee Doocey (Chair): A point of personal explanation from James Cleverly.

James Cleverly (AM): Thank you, Chair. We have verbatim transcripts and I am quite happy to stand by this: at no point did I suggest that either the member for City and East or the member for Lambeth and Southwark was advocating congestion charge zones in their area. I said --

Dee Doocey (Chair): Thank you.

James Cleverly (AM): I have not finished my explanation.

Dee Doocey (Chair): Will you be brief, please, Mr Cleverly.

James Cleverly (AM): I asked if any approaches had been made and I asked what the Mayor's response would be if any of those approaches were made in the future.

Dee Doocey (Chair): Thank you. We are now moving on. The next speaker is Richard Barnes.

Richard Barnes (AM): Thank you, Chair. I would add, having first written those Standing Orders, it is a point of personal explanation, not justification.

As a member of the outer London travelling public I must also declare, for the record, an interest. Mr Mayor, will you accept the thanks of the outer London travelling public for cancelling the west London tram and stopping the £37 million worth of waste that your predecessor had on a hair-brained scheme? Will you accept the thanks of the west London residents who you listened to and stopped the extension to the west London zone? Will you accept their thanks for a zero increase in precept during the term of your mayoralty? For the reduction in crime on the buses and indeed the investment on the Metropolitan and the Jubilee line which they recognise will make their travelling lives a lot easier? Will you also accept that they regret that your improvements has enabled the previous incumbent of your office to actually spend more time in Croydon, Hillingdon and Ealing than he ever did when he was Mayor?

Boris Johnson (Mayor of London): I am grateful to you for the way you put that, Richard, and I thank you for your representations that you continue to make on behalf of your own constituents in west London who you so powerfully represent.

Dee Doocey (Chair): Thank you. We are now moving on to the final section which is the LDA.

(vi) London Development Agency

Mike Tuffrey (AM): Thank you, Chair. I have not left it enough time to do this justice. I wanted simply to pursue one point with you which is the speed – or lack of it in our analysis – that you are moving to profit from the localism agenda, particularly on housing. So in other words taking over the LDA functions and bringing them in-house. Can I particularly say to you that you kindly wrote to me yesterday telling me that the number of housing starts on LDA land since you were elected totalled 1,431 and to say how does that sit with the 30,000 that you promised us back in November 2009? That is, I believe, evidence that the LDA has not been doing a good job and that you need to seize it and bring it in-house in this budget as soon as possible.

Boris Johnson (Mayor of London): It is coming in-house and I am confident that we will get the HDA land as well as the LDA land so that is a very important development and a great thing for us here in London and I think it will enable Peter Rogers and the Housing Task Force to get on with doing what they are very imaginatively proposing which is to make the LDA land more readily available and I appreciate the point that you are making, in order to generate yet more housing.

Mike Tuffrey (AM): It is all in the future --

Boris Johnson (Mayor of London): Turning to what has been done now and to the achievements over the last few years where we have built or are on course to build a record number of affordable homes.

Mike Tuffrey (AM): Yes, not through the LDA. Thank you, Chair.

(vii) General Questions

Dee Doocey (Chair): I need now to ask if anyone has any general questions?

Mike Tuffrey (AM): The press release from you prepared earlier on this budget is presenting this budget as an increase in policing numbers, correct?

Boris Johnson (Mayor of London): It is.

Mike Tuffrey (AM): It is not.

Boris Johnson (Mayor of London): It is.

Mike Tuffrey (AM): If you read I will draw the attention of the media to your budget, page 43, paragraph 14.16 where it says in black and white, "The police officer establishment will fall in this budget from 33,000 in 2010/11 to 32,000 in 2011/12".

So could you please be honest with us and be honest with Londoners and be honest with the media that this budget will result in fewer police numbers at the end of the financial year than at the start of the financial year. It says so in black and white.

Boris Johnson (Mayor of London): You are completely wrong and the headline figure represents the budgeted police numbers. The actual number of police numbers is I think 32,190-odd at the moment. As I said at the beginning the state of play when I became Mayor was that there were I think 32,198 --

Mike Tuffrey (AM): Could I invite the Assistant Director of Finance to show you page 43 of your own budget where it says --

Boris Johnson (Mayor of London): Sorry, when I became Mayor there were 31,398 or thereabouts and at the end of this mayoral term there will be, as I said at the beginning, 32,500 --

Mike Tuffrey (AM): That was fewer than the current year.

Boris Johnson (Mayor of London): It is not; it is more than now. No, Mike, it is more than now.

Mike Tuffrey (AM): Why does it say 33,091 is the current number?

Boris Johnson (Mayor of London): Those are the budgeted numbers; those are not the actual numbers of warranted police officers currently serving and if you look at the actual numbers we will have an increase not only on when I became --

Mike Tuffrey (AM): What is the point of putting a budget forward if it has incorrect numbers in it?

Boris Johnson (Mayor of London): -- Mayor of more than 1,000 but we will actually have an increase on the current numbers and that I think is a very distinguished achievement and is one to which you, as a fellow member of our great coalition, Mike, should pay tribute.

Mike Tuffrey (AM): At least the great coalition has got its numbers right. The budget before us says that the number is 33,091 and further information I have from the MPA here in November is 33,404. The fact is the numbers in this budget will fall. What they were three years ago is a different issue. Just be honest with Londoners instead of trying to con people.

Boris Johnson (Mayor of London): Rubbish, I am afraid you are talking complete nonsense. The numbers of police officers on the street will be more than 1,000 higher at the end of my term of office in 2012 than there were --

Dee Doocey (Chair): The Liberal Democrats are now out of time.

Boris Johnson (Mayor of London): To complete the point --

Dee Doocey (Chair): Very briefly.

Boris Johnson (Mayor of London): As for the 33,091 figure which, from memory, is what you are talking about, the 33,091 figure is a notional figure; it does not represent the current number of officers out there and what we are doing is we are getting more officers out on the streets and actually increasing the number of warranted officers.

James Cleverly (AM): Perhaps it is me, Mr Mayor, perhaps I am being stupid. If I present you with an analogy could you explain to me whether I am completely wrong?

Dee Doocey (Chair): Could you ask a question, please?

James Cleverly (AM): I am asking a question, Chair. If I have a car with four seats but only two people in it and I then pick up an extra passenger --

Dee Doocey (Chair): No, could you ask a question on --

James Cleverly (AM): This is a question!

Dee Doocey (Chair): No, on the Mayor's budget, not about cars with four seats.

James Cleverly (AM): If a police car has four seats, Mr Mayor, and two police officers in it and then picks up an extra police officer, is that a fall from the four seats to three seats which are occupied or has it increased from the two police officers to the three --

Boris Johnson (Mayor of London): May I congratulate you on the Socratic brilliance of your simile. That is exactly what we are talking about.

James Cleverly (AM): Perhaps I am not so stupid after all.

Dee Doocey (Chair): Mr Mayor, do you wish to answer Mr Cleverly's question?

Boris Johnson (Mayor of London): Only to say that James has put the point very, very well. There has been an increase in police numbers on 2008 and on 2010.

Dee Doocey (Chair): Thank you very much. I have not got any more questions. Thank you very much, Mr Mayor, for appearing before us.

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