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Our ref:

Date: 22 January 2008

Dear Jenny and Darren

Budget commitments for 2008/09 and beyond

Following the discussions that we have had over recent weeks regarding the Greater London Authority Group budget for 2008/09 and beyond, I am writing to set out my commitments to you on a number of important issues for London.

As well as Transport for London's £25m climate change mitigation funding, which will continue through to 2009/10, and the London Development Agency's three-year £35m funding of Climate Change Action Plan projects such as the home insulation, Green homes, and the business-focused Green 500 programmes, key proposals include:

- TfL to provide boroughs with financial incentives to implement default 20mph speed limits in all residential areas
- TfL walking and cycling budgets will increase by 20 per cent to £62m for 2008/09, building on London's position as the only major city in the world to have achieved a shift from private car use to public transport, walking and cycling
- £600,000 of LDA funds will be made available to support the implementation of the East London Green Grid project plan. The Green Grid aims to establish a network of parks and natural habitats covering an area 29 times the size of Hyde Park
- The LDA will commit to an additional £18m over the next three years to deliver new waste and recycling facilities to ensure that London deals with the bulk of its own waste and to use the waste to produce renewable energy.

It is also an opportune moment to reflect on some of the achievements our agreements have brought about over the last four years:

- Walking and cycling: TfL has almost trebled its walking and cycling budget from £21m in 2004/05 to £62m in 2008/09. Achievements include:
 - Cycling:
 - A programme of cycle parking at stations and on-street
 - An additional 10,000 spaces at London's schools
 - Completion of over 550km of the LCN+ and a programme of green and off-road cycle routes
 - An increase of £2m in the annual budget for cycle training for children and adults
 - Launch of a new Share the Road campaign
 - The London freewheel event, which more than 38,000 attended in September 2007
 - Walking:
 - Investment in a continued programme of improving pedestrian crossings
 - A £4m increase in funding for the annual borough walking programmes
 - The first ever walking campaign
 - Launch of a prototype in November 2007 for a future London-wide pedestrian information system – Legible London
- Travel Demand Management (TDM): TfL has almost quadrupled its TDM budget from £8m in 2004/05 to £30m in 2008/09. Achievements include:
 - A TDM department has been established to encourage a modal shift to walking, cycling and other sustainable modes of transport and a move away from car use
 - A total of 53 per cent of schools with approved school travel plans, with an average reduction in car trips of 7 per cent (1,200 fewer journeys a year)
 - A comprehensive support package for workplace travel plans
 - Launch of a new personalised travel planning programme
 - Providing financial support to encourage the growth of car clubs
 - Launch of the first smarter travel town centre in Sutton to test the combined effect of all TDM measures

- Road safety: the budget for road safety has increased by almost two-thirds from £35m in 2004/05 to £58m in 2008/09. Achievements include:
 - A rolling programme of major, award winning TV campaigns targeting children, teenagers and the dangers of motorcycling
 - Expanded child campaigns including the Children's Traffic Club (3 year olds), A-Z Tales (7 year olds) and Junior Road Safety officers
 - The development of new technology, including the Intelligent Speed Adaptation project with first trials expected Summer 08, time-over-distance cameras to enforce speed limits
 - Continued research and projects related to specific road safety target groups, including BAME groups.
 - Child KSIs (those killed and seriously injured) fell 36 per cent from 614 in 2002 to 392, P2W (powered two wheels) KSIs have fallen 31 per cent from 1,224 in 2002 to 848 in 2006. Overall 231 Londoners died on the roads in 2006; 49 fewer than in 2002.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ken', written in a cursive style.

Ken Livingstone
Mayor of London

LDA

General

- The LDA is fully committed to the sustainability agenda. Although it is facing a challenging period (the recent Comprehensive Spending Review stipulated an annual reduction of 5 per cent in its budget over the next three years) the Agency will ensure that there is a year-on-year increase in the relative share of its budget dedicated to health, sustainability and the environment. This budget will be £29m in 2008/09 compared with £27.6m in 2007/08
- In 2007/08 the LDA set up a dedicated Environment and Climate Change Unit to focus on delivery of Climate Change Action Plan programmes. In 2008/09 the Agency will have a team of 30 dedicated to the delivery of this agenda
- £35m in the period from 2007/08 to 2009/10 is dedicated to Climate Change Action Plan programmes

Green Grid of linked green spaces in East London

- The LDA will support the implementation of the East London Green Grid project plan and the six East London Green Grid area frameworks launched in November 2007. It will work with and support the ELGG Project Board and Working Group and the six ELGG area groups
- Design for London will continue the work of defining and developing individual projects, preparing bids for funding, and ensuring all redevelopment and infrastructure schemes deliver relevant parts of Green Grid
- £600k will be made available to Design for London in 08/09 to enable it to carry out this work, and to support the work of the Project Board and Working Group, including by providing bursaries to area groups
- The ELGG project plan and area frameworks identify over 100 projects to be advanced in the next 3-5 years (the first phase of delivery). In 2008/09 at least 10 of these will be newly prepared by Design for London so as to be ready for delivery. At least one ELGG project will be progressed in 2008/09 as an exemplar flagship green grid project to be delivered by, or in partnership with, the LDA
- A three-year funding plan for work to support the ELGG will be prepared in 2008/09. This will include a strategy for support over the longer term, possibly through partner organisations

Food

- The LDA will continue the implementation of the Food Strategy, in line with the Food Implementation Plan, and through London Food, the LDA Food Unit and partnership working. It will spend the remaining £2.1m from the £3.87m budget allocated in the period up to the end of 2008/09

- Delivery will include the following:
 - Building the capacity for more local, regional and sustainable food to be supplied to London with the aim of achieving a 15% increase in the volume of such food, sourced by partner wholesale markets, over the lifetime of the project
 - Reaching the target for over 1,000 catering and procurement staff in schools and hospitals to be trained under the “Good Food Training for London” project
 - Promoting the objectives of the Food Strategy by distributing small grants to enable individuals and organisations to take part in, or hold, food events and activities, and by ensuring one high profile event takes place
- During 2008/09 the LDA will develop a 3 year business/funding plan from 2009/10 for the next phase of work to implement the Mayor’s Food Strategy for London

Climate Change Programme Delivery

- The LDA has committed £35m over 3 years for the delivery of the Climate Change Action Plan programmes
- The LDA will continue with, and expand on, the existing Green Homes programme to help deliver the Mayor’s Climate Change Action Plan, including by developing the following initiatives:
 - One-stop advice and referral service
 - Concierge service
 - Free/low cost home insulation and energy efficient light bulb schemes
 - Purchase and refurbishment scheme
 - Green landlord scheme
 - Marketing campaign(s)
 - Working with contractors to pilot a street-by-street approach to improving domestic energy performance
- The LDA will continue with, and expand on, the existing Green Organisations programme, including:
 - The Green500 scheme targeted at tenants of commercial buildings
 - Consideration of the feasibility of setting up a Green500 for SMEs
 - The Better Buildings partnership targeted at owners/ landlords of commercial buildings
- The LDA will also commence delivery of the Green Construction training programme which will include:
 - Information portal for building trades and construction industry
 - On-site demonstration events
 - Assessment and implementation of the appropriate LDA intervention regarding green skills

- The LDA will support the delivery of zero/ low carbon developments across LDA's development activity, and in non-LDA development projects. More specifically it will:
 - Proceed with a low carbon development at Albert Basin
 - Progress decentralised energy for the wider Royal Docks area
 - Produce a feasibility study of using heat from Barking Power Station for CHP
 - Continue feasibility work for South Bank initiative
- The LDA's Decentralised Energy team will have sufficient budget to accommodate eight posts in 2008/09. The LDA will keep under review the resources for the team to ensure that it can keep pace with major opportunities in London for decentralised energy

Gallions Park Zero Carbon Development

- The LDA will continue to deliver the Gallions Park zero carbon development and apply the lessons to other LDA developments, regeneration schemes and decentralised energy interventions. The LDA will produce a publication on the lessons learned (subject to commercial sensitivity) and following the successful central London exhibition will continue to promote externally lessons from Gallions through the most effective channels

Zero/low carbon developments

- Building on the success of our previous actions to promote Zero and Low Carbon Developments, the Mayor will use his new planning powers to ensure that all developments and borough planning documents reflect the new requirements set out in the Further Alterations to the London Plan in the drive towards zero carbon development. The GLA and LDA will provide further leadership, support and guidance to boroughs and developers to help implement this agenda. They will work proactively with boroughs and developers to help identify the best opportunities in London for zero and low carbon development. Specific targets will be reviewed through the Climate Change Mitigation & Energy Strategy

LCCA

- The London Climate Change Agency will continue to:
 - Implement or facilitate decentralised energy and renewable energy projects
 - Provide engineering and other technical, financial and governance advice on climate change and delivery of decentralised energy and renewable energy projects
 - Continue its role in the London ESCO

Zero/low carbon Sustainable Industries Park

- The LDA will continue its work to kick-start a zero/low carbon and zero waste sustainable industries park at Dagenham Dock through:
 - The acquisition and remediation of strategic sites and interests. The LDA currently owns 5 hectares of land and the majority of the private road network and has spent £10m on the first phase of reconstruction and upgrades. It will now progress to the second phase of works, which will

provide access to the LDA's land, facilitating its development in support of the SIP, as well as other land being assembled by the LTGDC

- One particular plot is being developed for the Closed Loop plastic bottle reprocessing plant, a key example of the type of environmental technology envisaged for the area and a Mayoral priority for dealing with plastic waste. Planning permission has been granted for this facility, construction is now complete and fitting out is taking place, with the plant due to become operational Spring/Summer 2008
- Setting clear zero/ low carbon and waste objectives for occupants
- Marketing land and development opportunities, especially targeting specialist waste recycling and reprocessing, high value added design and manufacturing of renewable energy and energy efficiency products, and related research and development operations
- The aim is for construction of business space to start in 2009/10

Green skills/ skills for a low carbon city

- The LDA will provide additional funding of £50,000 to provide support to the Energy Skills for London Forum and to develop a green skills programme, in partnership with the relevant bodies including the LSEB and Learning and Skills Councils, to access funding for green skills and address capacity issues in this area, and in particular to support the implementation of the Green Homes Service, the Building Energy Efficiency Retrofit Programme and the policies in the London Plan to promote renewable and decentralised energy, climate change and environment

Waste

- The LDA will commit £18m over 3 years (£4m in 2008/9, £7m each in 2009/10 and 2010/11) to deliver new waste and recycling facilities using for example advanced non incineration technologies to treat London's commercial waste in order to maximise the amount of waste recycled in London, to ensure that London deals with the bulk of its own waste within London and to use the waste to produce renewable energy in order to reduce London's carbon footprint. This is in addition to the LDA's other work on waste, comprising the Mayor's Green Procurement Code and Leave no Footprint programme

TFL

CC Mitigation Fund

- Tfl will continue funding of £25m from 2007/08 to 2009/10 already committed to climate change mitigation

Walking and cycling (joint)

- The importance of walking and cycling will be recognised by increasing existing budgets by 20% to over £62m for 2008/9 and £63m for 2009/10. This extra funding will be prioritised to fund the pilots and additional costs associated with the major new walking and cycling initiatives being recommended in Tfl's Policy Unit's review, 'Delivering Long Term Walking and Cycling Growth'. The report arising from this review will be finalised with the Green Group shortly with a view to announcing its major recommendations in February.
 - Tfl will continue to fund existing programmes, including those listed below, working towards aligning them with the recommendations arising from the review
 - Continue to support the Active Travel Delivery Framework for the Olympics and fund the physical works on seven Active Travel Arteries which are identified in the audit report expected in Spring 2008
 - Continue investment in the Share the Road campaign. Subject to a forthcoming review and strategy, provide resources and/or funding to support joint partnerships

Cycling

- Continue support to complete LCN+ by 2010. A forthcoming review will provide the basis for a completion plan
- Continue programmes for cycle parking at LU, DLR and all rail stations, and schools. In 2008/09 produce a timetable for the delivery of four- year rolling programme for cycle parking at LU, DLR and rail stations (rail delivery contingent on continuing to secure matched funding from TOCs)
- Tfl to provide cycle training to all schools requesting it, working towards a target of training 50% of year 5 and 6 students to level 2 by the end of the financial year, with funding allocated only to trainers teaching to the Bikeability national standard. Tfl to require boroughs to produce a list of schools requesting cycle training as part of the LIP process and to ensure boroughs are delivering to agreed guidance
- Tfl to provide £1m to support the GLA in delivering an expanded London Freewheel event in 2008 with expected attendance of 60,000 participants, and capacity for 100,000
- Junction safety: provide regular (quarterly) reports on all signalised junctions to be upgraded/ re-engineered without Advanced Stop Lines, with reasons for the decision to omit ASL
- Maintain current funding levels for Greenways programme at £3.5m for 2008/09

Walking

LIP Funding for borough walking projects

- Maintain borough walking funding at £9.2m for 08/09 and 09/10 to complete 3 year programme
- Larger more expensive walking schemes will continue to be funded through other borough programmes. The new Best Practice Guide for Borough LIP walking proposals will highlight all the appropriate funding avenues for key walking routes and other large proposals

Legible London

- TfL, working with the boroughs, the GLA and developers, to commence phased implementation of the Legible London way-finding scheme to meet existing target completion dates (2011/12 for central London and Olympics area and 2015 for rest of London town centres). Programme work to commence in 2008/09 supported by programme funds

Pedestrian crossings

- Prioritise action at signalised junctions without pedestrian crossings on one or more arms on the TLRN according to the framework to be delivered in Spring 2008. TfL will seek to work with the boroughs to develop a similar framework for junctions without crossings on borough roads by the end of the financial year.
- Upgrade of all signalised crossings to meet DfT timing standards to be carried out as part of current modernisation programme, by the end of 2010 at the latest.
- Provide regular (quarterly) reports on all signalised junctions to be upgraded or renewed without signalised facilities for pedestrians, giving reasons for the decision. (Applies to new schemes conceived after 1 April, with the exception of simple signal changes such as from beacon to wireless Selective Vehicle Detection as part of I-Bus)

Central London Pedestrian Zone

- TfL to provide a comprehensive report identifying the possible measures (including the provision of routes/areas restricted to pedestrians and cyclists) for improving pedestrian access to, and within, the central zone proposed by the Green Group. The report will balance the need to keep London moving whilst ensuring the walking environment in central London contributes to the vibrancy and vitality of the city. The scope of the report will be agreed with the Green Group

Street links around mainline stations

- Actions arising from audits of street links around mainline stations will be incorporated into Borough Station Access Programme and Interchange Programme, as appropriate. More specifically, in 2008/09 TfL will continue the rolling programme of street audits and deliver first action plans from those completed for input to programming, starting by 2009/10.

Strategic Walks Network

- Complete SWN by 2012

Thames Gateway Bridge

- TfL have put procurement for the Thames Gateway Bridge on hold until the outcome of the re-opened Inquiry
- TfL is working on reviewing public transport options on the Bridge in response to a request by the TfL Board, aiming to provide a thorough and objective assessment of a range of options which have the potential to increase the role of public transport on the Bridge
- TfL will make available funding as required of up to £15k for professional and consultancy assistance approved by the Green Group, in reviewing and defining options to increase the role of public transport on the Bridge. The options generated through this assistance will be assessed in TfL's review. All results from this work will need to be provided to TfL before the end of March 2008
- The TfL paper setting out the results of the review will be shared with the Green Group on a confidential basis, to allow TfL to consider any comments from the Green Group in finalising the paper and reporting to the Board

Gyratories (in association with DfL)

- The LDA, TfL and DfL will undertake an initial assessment during the next three years of all major gyratories in London, with the aim of assessing the costs and benefits of restoring two way working. This will inform both the 100 Public Spaces programme and the process of sub-regional planning. I will continue to implement the planned changes to the current set of four gyratory schemes and to seek funding and agreement for a further six schemes which are in progress to assess the costs and benefits of restoring these gyratories to two way working
- The top list of four is:
 - A11 Aldgate East
 - A2 Kender Street Triangle
 - A10 Tottenham Hale
 - A23 Brixton Square
- Studies in progress are:
 - A21/A205 Catford Town centre
 - A22/A23 Purley Cross
 - A3 Wandsworth Town Centre
 - A1 Archway
 - A1 Highbury Corner
 - A10 Stoke Newington

Road safety (TfL)

- Budgets and programmes to be maintained
- Conduct pilot of Intelligent Speed Adaptation of cars, buses, taxis, and other public service vehicles
- TfL will work with the Metropolitan Police in seeking a year –on-year reduction in the number of illegal drivers on London’s roads
- With new powers from the London Local Authorities & TfL Bill expected to become law early 08. TfL, working in partnership with the boroughs, will pursue vehicles known to be persistently evading traffic enforcement. TfL London-Wide Removals Service will remove vehicles parked unlawfully on the TLRN to nine new car pounds

Pan-London 20mph default speed limit

- TfL will work with the boroughs to encourage and support the implementation of borough-wide default 20mph speed limits in all residential areas. It will provide technical and legal guidance and financial support for appropriate measures, including the introduction of time distance safety cameras when approved

Travel demand management

- The TDM budget will be maintained at £30m for 2008/09
- Deliver a second integrated smarter travel project based on experience of Smarter Travel Sutton project
- Produce a toolkit for working with retailers to address staff and visitor travel in order to promote sustainable transport, including servicing and delivery issues. This will form part of the TDM package of measures delivered to minimise car use in the areas affected by the North Circular road improvement scheme
- Commence implementation of measures to minimise car use in the Thames Gateway redevelopment area
- Implement the TfL car club strategy, enabling the provision of on-street bays, enforcement of associated parking regulations, promotion of car clubs and outer London pilots. Update recommendations for 2009/10 on the completion of the Outer London Pilots. TfL to encourage operators to use low emission vehicles (band a and b) wherever feasible through the LIP allocation process and advice to boroughs and developers
- Work with 150,000 employees through workplace travel planning in 2008/09, maintain an effective system on monitoring and motivation, and extend this support to London colleges and further education institutes with the greatest congestion reduction potential
- Pilot delivery of the personalised travel planning programme to align with TfL's structural investment programmes on the tube, rail and streets, including the transport option of the Green Homes initiatives as appropriate. This new approach to delivering the programme will be monitored against previous outcomes and targets

- Produce a report identifying the main hotspots of the public transport system which could be addressed by passenger diversion to walking/cycling or other sustainable options during peak travel
- Continue existing school travel plans programme

Climate change impact of transport fuels, systems & infrastructure

- Through the Climate Change Fund and as part of the London Hydrogen Partnership Transport Action Plan continue programmes for low carbon vehicles and transport infrastructure
- Deliver the LU Carbon Emissions Reduction Programme (CERP) through measures including an energy sourcing strategy, PPP contractor incentivisation, enhancing energy efficiency of line upgrades, and investigating low carbon station solutions. Develop detailed CO2 reduction scenarios until 2025, to feed into the development of a TfL Group CO2 reduction strategy. The energy sourcing strategy will be produced by October 2008. It will assess the feasibility of securing at least 20% of LU energy from local and renewable sources by 2025, and develop actions as appropriate. It will also assess the maximum amount of energy which could potentially be obtained by local and renewable sources
- Deliver measures identified by London Rail Energy Action Plan, and identify further carbon reduction opportunities with LOROL and Network Rail. Further refine 2025 CO2 emission reduction scenario, to feed into development of TfL CO2 reduction strategy
- By the end of 2008/9 publish a progress report on initiatives taken to improve energy performance
- The GLA Group will examine opportunities for working with innovative biofuel manufacturers and suppliers on pioneering projects to promote the production of sustainable biofuels. The GLA Group will only use biofuels meeting the highest certification standards

GLA

Aviation

- Take forward recommendations of the GLA review of the potential for moving short haul travel from air to rail. The GLA Group will show leadership by discontinuing the use of aviation to travel in mainland Britain and to Paris and Brussels. TfL will use its workplace travel plan programme to encourage other London employers to adopt a similar policy
- Since publication of the London Assembly report on helicopter noise in October 2006, and the subsequent meeting with the Transport Minister, the Civil Aviation Authority has begun to publish, on its website, data on helicopter flights over London and a clearer public complaints procedure regarding helicopter noise. The GLA will continue to work with stakeholders on issues identified in the Assembly report. It will seek to influence helicopter noise through the first national noise strategy, on which consultation is expected this year, future noise mapping and action planning, CAA work on helicopter routeing in East London, and in dealing with any planning application under the London Plan for new heliport provision

Drinking water

- Work with Thames Water to emulate the successful Paris campaign, and put tap water on every restaurant and café table in London, through provision of stylish water carafes given away free as part of marketing campaign. Promote provision of public water fountains in public buildings and spaces throughout London

Empty homes

- Support London Empty Homes Hotline for third year of three year funding agreement (£25,000)
- Assess the impact of that funding
- Assist the Empty Homes Agency in securing future funding.

Waterways

- Continue to provide London Waterways Commission with budget for events, research and other projects (£35,000)

Living wage

- Deliver a programme of work to promote the London Living Wage, to include
 - Building on GLA support to SERTUC (which has recently issued guidance on implementing the London Living Wage), the GLA will undertake further legal and economic analyses to assist agencies looking to implement the Living Wage
 - GLA will host a function for partners and stakeholders to promote the Living Wage, around the time of the announcement of the new Living Wage figure (which is currently being developed by GLA Economics)

Strategic planning advice to communities

- Ensure a strengthened independent planning advice service for communities on strategic planning issues, following a review of service requirements, to be carried out and acted upon in 2008/09

MPA

Wildlife crime

- Maintain current staffing levels (four officers) in the Metropolitan Police's Wildlife Crime Unit

Road traffic policing

- Adopt a target of a year-on-year reduction in the number of illegal drivers on London's roads
- Expand Automatic Number Plate Recognition operations
- Neighbourhood police teams to be encouraged and supported in enforcement action against illegal drivers. Local public consultation on SNT priorities to include road traffic policing as option

GLA GROUP

100 Public Spaces

- Design for London will develop the following priority schemes under the 100 Public Spaces programme in partnership with TfL, the LDA and the boroughs:
 - Brixton Central Square (implementation 2008/09 to 2009/10)
 - Parliament Square (consultation May 08. To be considered for adoption onto the programme)
 - Tottenham Hale (finalise initial designs and funding package)
 - Exhibition Road (finalise design and begin implementation)
 - Victoria Embankment (detailed feasibility)
 - High Street 2012 (appoint consultants and complete the vision study and strategy)
 - Woolwich (appoint designers for Town Centre and continue the implementation of streetscape improvements)
 - Euston Circus (implementation subject to planning approval and finalising funding package)
 - Waterloo area projects (appoint consultants and complete the vision study)
 - Old Street (initial design prepared for consideration for adoption onto the programme)

Climate change budgets

- Ensure resources for improving energy performance of buildings in London are maintained/increased to the level required to deliver Climate Change Action Plan targets

Carbon emissions from GLA Group IT systems

- Introduce green IT within the GLA Group, including:
 - Completion in 08/09 of audit of GLA's IT carbon footprint and commencement of implementation of action points
 - Funding of green measures identified in the forthcoming TfL IT strategy
 - Implementation by LDA of measures to reduce carbon emissions from IT systems

“ Lights out London Government”

- Work with GLA group and other public sector organisations to deliver a “Lights out London Government” project to turn out all non-essential lighting

CO2 implications of proposals

Reducing the amount of CO₂ produced in London is one of the key challenges facing the city and the figures below provide an estimate of the impact the proposals contained in this letter make in that regard. It is important to note that CO₂ impact is not the only measure by which the proposals have been considered – quality of life indicators are important too.

Green Organisations Programme	3m tonnes reduced by 2010
Green Homes Programme	1.5m tonnes by 2010
Decentralised energy / LCCA	Up to 2.2m tonnes annually by 2025
Sustainable Industries Business Park/ Gallions Park Zero Carbon Development	Contributes to total commercial and industrial sector savings
Walking and cycling	Up to 1.5m tonnes annually by 2025
Cycling	About 70 per cent of total W&C estimate
Walking	About 30 per cent of total W&C estimate
TfL Climate Change Mitigation Fund	0.5m tonnes annually within 10 years
Travel demand management	Up to 0.25m tonnes annually by 2025
Climate change impact of transport fuels, systems and infrastructure	High (for low carbon vehicles), but most significant impact due to EU action
Pan London 20 mph speed limit	Positive impact
Gyratories / Road safety	Potentially contributes to W&C savings
GLA group climate change budgets	0.1m tonnes annually