

Mayor's Question Time – Thursday 19 November 2020

Transcript of Item 3 – Oral update to the Mayor's Report

Sadiq Khan (Mayor of London): Good morning. Since the last Mayor's Question Time (MQT), we have moved into a second national lockdown and I want to take this opportunity to thank Londoners for the way they have continued to follow the rules and for the great sacrifices they have made for the collective good of our city. Now more than ever, it is vital that we continue to follow the rules because we still have some very difficult months ahead in our fight against the virus.

I am pleased to say that the end is finally coming into sight. We can see the light at the end of the tunnel because, with the positive news about the vaccines filtering through and the incredible work of our scientists, we can afford to be hopeful and optimistic about the future and start to plan for life after the virus.

Over the crucial weeks and months ahead, my top priority will continue to be to keep all Londoners safe, but more and more our work at City Hall is moving to how we can support Londoners out of this economic crisis and how we can get our city back on its feet and firing on all cylinders. Our key aims are protecting jobs and supporting businesses, providing a better safety net for Londoners who have lost their jobs through no fault of their own by ensuring they can get the training and skills they need to get back into work, and laying the foundations for a fair, inclusive and green economic recovery.

Today, I am pleased to announce that we are investing £10 million in green projects that will support 1,000 new green-collar jobs. This is part of my Green New Deal initiative and will not only be a boost to our economy recovery efforts but will help to tackle the twin dangers of air pollution and the climate emergency. The new green jobs will be in areas such as solar panel installation and other programmes to make homes more energy efficient, helping those most likely to experience cold and damp homes. New data we have shows that London's green economy now supports 5% of jobs in the capital, more than the construction sector. This new announcement today reinforces our ambition to double the size of London's green economy to £100 billion by 2030, something that will help to kickstart job growth just when we need it the most.

Of course, there is no doubt we will face some tough winter months ahead, but we are going to get through this together.

Thank you, Chair. I look forward to answering questions during the course of the morning. Before I go on to those questions that I will be asked, there are two oral updates, one for Assembly Member O'Connell and one for Assembly Member Pidgeon [MBE].

The first for Assembly Member O'Connell is about Croydon Council. The Director of Finance at the London Borough of Croydon issued a Section 114 notice on 11 November. This is not an outcome anyone would have wanted and I want to make it clear that I will do whatever I can to support the Council, local residents and businesses at this difficult time. My understanding is that the Council will continue to provide key statutory services to vulnerable residents, including adult social care and children's services. Schools will remain open and bins will continue to be collected.

This year Croydon is due to collect over £90 million in council tax, business rates and Crossrail business rate supplement income from the Greater London Authority (GLA). This income is held in a separate ringfenced

account within the Council. There are no direct risks to the GLA's share of local tax revenues arising from the Section 114 notice and the Council will continue to collect and pass on business rates and council tax as normal. The interim Chief Executive [Katherine Kerswell] has made it clear in discussions with the GLA's Chief Officer that the Council will continue to honour its contractual commitments. GLA group officers are assessing the potential implications of the Section 114 notice on projects and initiatives we are funding in Croydon.

This situation is very concerning but it is not, I am afraid, surprising. We have, unfortunately, seen financial issues emerging in Bexley this week, with the Council also requesting a capitalisation direction from the Ministry for Housing, Communities and Local Government (MHCLG). Councils across the country have been making severe cuts for a decade and the impact of COVID-19 has been deeply felt across the whole United Kingdom (UK), including in the GLA Group. The Government is choosing to introduce a new era of austerity on local authorities by refusing to refund the full costs of tackling COVID-19 and the income we have lost as a result. What has happened in Croydon should be a wakeup call to the Government. It must now change its approach or risk seeing the same thing happening elsewhere.

The second request for an oral update is from Assembly Member Pidgeon [MBE] in relation to vaccines. The recent news is hugely positive and I want to thank not just the scientists but the tens of thousands of people selflessly participating in trials across the world. There is some way to go until we have a vaccine ready for widespread use, but this is a welcome development. Recommendations on prioritisation are being made by the independent Joint Committee on Vaccination and Immunisation. As more is known about the vaccine, the interim advice will be reviewed and a recommendation made to the Government.

I welcomed the initial prioritisation of health and care workers. It is devastating that so many have already lost their lives and protecting them is also vital to keeping services safe and running. The Government should also prioritise other frontline key workers who cannot work from home and may be vulnerable to infection due to the nature of their role. It is a tragedy that we have lost 48 transport workers to this terrible disease.

It is right that our most vulnerable are first in line. I urge the Government to look at the extensive evidence on the disproportionate impact of the first wave. The Government needs to work with London to understand the complexities of our city and I will be writing to the Secretary of State [for Health and Social Care] to offer our expertise.

Navin Shah AM (Chair): Thank you. I have an indication from Assembly Member O'Connell, who wants to come back on his question about Croydon Council. Assembly Member O'Connell?

Steve O'Connell AM: Thank you very much, Chair. Thank you very much, Mayor, for your response. Certainly the first half of it I welcomed very much. I was interested in the impact on the GLA family's finances of the Croydon position. You have covered that. I am also pleased that you may be able to give not some financial support but some support in officer support and elsewhere because Croydon is in a very difficult situation.

I really do not want a political debate about this, frankly, because this is a tragedy for Croydon residents and for the people who work for Croydon Council whose jobs are under threat, but it is fair to say that, yes, indeed, COVID is affecting many councils and, yes, indeed, there have been issues about Government funding of councils. I was Deputy Leader of a council and so I understand that.

However, the situation we have in Croydon is an issue of corporate blindness, mistakes made and failings in financial governance. These are the independent words of Grant Thornton. Indeed, the new Leader, Councillor [Hamida] Ali, who is someone of the GLA parish, has come in and admitted that mistakes were

made. I do not really want to to-and-fro politically, but it is a fair point to say that whilst all councils are under pressure, Labour councils - and it has been admitted by resignations - are at fault within this. We need to put blame to one side and hope that the people of Croydon can have services that they deserve going forward, Mayor. Thank you.