

GREATER LONDON AUTHORITY

[REDACTED]
(By email)

Our Ref: MGLA111217-7227

9 January 2018

Dear [REDACTED]

Thank you for your request for information which the GLA received on 9 December 2017. Your request has been dealt with under the Freedom of Information Act 2000.

You requested:

- 1. Did the mayor consult before deciding to request an impact assessment.*
- 2. Will the cost of the assessment be paid for by Londoners.*
- 3. How much will it cost approximately.*
- 4. What is the cost/benefit of actually doing such research.*
- 5. Will the people doing the research have access to government figures or will they take them from other less reliable sources.*

Our responses to your request are as follows:

1. Did the mayor consult before deciding to request an impact assessment.

No, the GLA has powers under section 30 of the Greater London Authority Act 1999 to promote economic development, wealth creation and social development in Greater London. This includes subsidiary powers under section 34 to do anything facilitative of the exercise of its function, to carry out research into the economic effects on London of reasonably foreseeable external events, such as the proposed departure of the UK from the EU.

However, you may find it helpful to note that the Mayor has published his [draft Economic Development Strategy](#) for consultation. Individuals can have their say on the strategy by taking the survey and joining the discussions on Talk London, City Hall's online community: www.london.gov.uk/talk-economy.

2. Will the cost of the assessment be paid for by Londoners.

The cost of the assessment will be funded from the Executive Director of Communities and Intelligence Minor Programmes budget for 2017-18.

3. How much will it cost approximately.

The decision ([ADD2142](#)) approved expenditure of up to £50,000 for this work.

4. What is the cost/benefit of actually doing such research.

The GLA does not hold this information. A specific benefit-cost calculation has not been attempted and would not have been feasible or proportional for this type of expenditure. The impact of the vote to leave the EU is one of the largest potential economic effects on both the London and the UK economies and the value at stake is several orders of magnitude greater than the costs of an economic analysis. In order to plan effectively for different Brexit scenarios the GLA needs to know the potential impacts, both in terms of the headline indicators for the London economy and in terms of the more detailed analysis of impacts in different parts of London. The Mayor has committed that once we know the likely impact of different scenarios, he will come forward with a plan for the Government to mitigate the worst impacts of Brexit on London's economy.

5. Will the people doing the research have access to government figures or will they take them from other less reliable sources.

We have commissioned Cambridge Econometrics to undertake this research. They will be using a wide variety of information in their analysis, including government and other relevant statistics as well as published economics literature. These sources and the methodology used more generally will be outlined in the final report and we expect this to be published in January.

If you have any further questions relating to this matter, please contact me, quoting the reference MGLA111217-7227.

Yours sincerely

Ruth Phillips
Information Governance Officer

If you are unhappy with the way the GLA has handled your request, you may complain using the GLA's FOI complaints and internal review procedure, available at:

<https://www.london.gov.uk/about-us/governance-and-spending/sharing-our-information/freedom-information>