



Léonie Cooper AM
Chair of the GLA Oversight Committee

Paul Scully MP
Minister for London and Minister of State
Department for Levelling Up, Housing and Communities

(Sent by email)

17 October 2022

Dear Paul,

Following recent changes in government, the GLA Oversight Committee is pleased to see that you remain in post as the Minister for London and would like to congratulate you on your new role as Minister of State at the Department for Levelling Up, Housing and Communities. We hope that we can continue to work together effectively for the benefit of Londoners.

As you will be aware, the Committee is currently running an investigation into further devolution in London and met on 16 June 2022 and 13 July 2022 to discuss the government's Levelling Up White Paper and Bill. We have noted with interest reports of delays and potential changes to the Bill, and felt it timely to write to you to articulate our ambitions for the Levelling-up and Regeneration Bill, and the Levelling-up agenda more broadly.

Following the announcements made by the Chancellor on Friday 23 September in his Mini-Budget statement, government has made clear its intention to prioritise and drive growth in the UK. Our current investigation has highlighted that further devolution in London would help to drive growth both in the capital and across the rest of the UK.

Whilst the Levelling Up White Paper goes some way to acknowledging and assessing the specific challenges faced by London, it does not provide a clear strategy to tackle these. Neither the White Paper nor the Bill offer a clear position on what government expects in terms of the trajectory of growth for its capital city. In seeking to enhance devolution to other parts of the country, it is essential that the London picture doesn't simply become a static bar against which others are compared.

Any delay to the Levelling-up and Regeneration Bill provides the opportunity for government to consider what London's role should be in driving growth in the UK, particularly as the country grapples with the cost-of-living crisis and recovery after the COVID-19 pandemic.

As stated in our submission to the Public Bill Committee, the Levelling-up and Regeneration Bill must include metrics that will support London to 'level up', properly reflecting what good growth in London would look like.

We would encourage government to reconsider the recommendations from the Levelling Up, Housing and Communities Select Committee (LUHC, formerly the Housing, Communities and Local Government Select Committee) in their most recent report, Progress on devolution in England, published in September 2021, particularly in relation to fiscal devolution and further extension of powers to the London Assembly.

Fiscal Devolution

The White Paper states that government will commit to giving every part of England a simplified, long-term funding settlement. The London Assembly Oversight Committee supports this ambition which could provide greater security for future years and allow longer term planning. However, the Levelling-up and Regeneration Bill, in its current form, does not provide any indication of how this might happen. Any considerations to amending the current Bill must set out how government intends to achieve this.

The GLA Oversight Committee supports the LHUC Select Committee's recommendation that "the principle of devolution funding should be that grants are given on a block basis to cover all services of which local and combined authorities have oversight, without ringfencing or competitive bidding".

With a single pot of funding for the Mayor of London, alongside expanded powers for the London Assembly to ensure adequate scrutiny of how funding is spent, the Mayor could deliver positive outcomes for London more efficiently and be more effective in delivering government's strategic levelling-up priorities.

With more time to consider the Levelling-up and Regeneration Bill, the Committee urges government to consider what form a "simplified funding settlement" would take, and to include provisions for this within the Bill. At the appropriate time, we must also consider what level of funding support would be required to make a long-term funding settlement succeed. Long-term funding and simplified spending pots will not succeed if the overall envelope is simply too small to provide adequate services to local people.

London Assembly Scrutiny Powers

Whilst the Levelling-up and Regeneration Bill, rightly focuses on increasing scrutiny functions within combined authorities, it is important that improvements to scrutiny of the Mayor of London, through expanded powers to the London Assembly, are not overlooked.

The Bill currently gives the Overview and Scrutiny Committees at combined authorities the power to direct that a decision that has not yet been implemented must be paused whilst the Committee reviews it. The GLA Oversight Committee would like these powers to be extended to include the London Assembly. In addition, the Committee would be keen to see provision in the Bill which directs the Mayor to share a forward plan with the London Assembly, which would further strengthen this Committee's effectiveness in identifying decisions that it may wish to pause and review.

The London Assembly has long called for powers to Summons information and co-operation from bodies outside the GLA group that are appointed by the Mayor or have a significant London-wide role to play in delivering his strategies , such as the London Ambulance Service and the Port of London Authority. This is supported by the LUHC Select Committee and would enable more effective scrutiny of the Mayor and of important issues affecting Londoners.

Furthermore, the London Assembly's statutory functions, as set out in section 59 of the GLA Act, should be expanded beyond simply "keep[ing] under review the exercise by the Mayor of the statutory functions exercisable by him". This should be broadened to allow the London Assembly to investigate important matters affecting London, beyond the Mayoralty, for example with utilities companies, such as Thames Water.

Nevertheless, much like the Levelling-up and Regeneration Bill intends to improve scrutiny of combined authorities through changes to the provision of remuneration, the London Assembly would need to be properly resourced to be able to take on this additional responsibility and ensure adequate scrutiny in this area.

Health Devolution

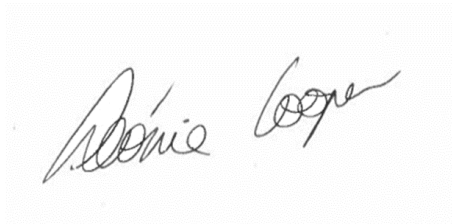
Finally, the Committee has been very interested to see the results from the recently published study into Greater Manchester's health devolution.¹ This has shown that devolution has had a positive impact on life expectancy, with those in the most deprived areas experiencing the biggest benefits. If the Levelling Up agenda is to be successful, the results from this study, and health devolution, must be seriously considered.

The Committee hopes that you will consider the points raised in this letter and will take steps to ensure that London's growth is considered a priority as part of the Levelling-up and Regeneration Bill. A clear strategic plan for its capital city must be a key feature of any government's Levelling-up agenda and will benefit growth not just for Londoners but will also support recovery and prosperity across the whole of the country.

¹ [https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(22\)00198-0/fulltext](https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(22)00198-0/fulltext)

We would be grateful to receive a response to this letter by 4 November 2022. Please copy Davena Toyinbo, Principal Committee Manager, into your response via the following email address: Davena.Toyinbo@london.gov.uk.

Yours,

A handwritten signature in black ink, appearing to read 'Léonie Cooper', is shown within a light gray rectangular box.

Léonie Cooper AM

Chair of the GLA Oversight Committee