

London Assembly (Plenary) – 25 January 2012

Draft Consolidated Budget 2012-13 – Transcript of Statement from the Mayor

Boris Johnson (Mayor of London): Good morning everybody and I am delighted that everybody can participate in the upcoming debate.

This administration has been devoted to delivering value for Londoners' money, and to leading the city to a strong economic recovery. You must remember that in the last four years we have not only been dealing with the deepest recession for 50 years; we have had to overturn and reform a culture of waste in City Hall. I might mention the £37,000 spent on first class tickets to Havana and the £10,000 spent on a subscription to the *Morning Star*, but these were just symptoms of a regime that would casually spend £34 million on architects' drawings and consultancy for a west London tram that had no chance of happening and a regime that was happy to squander tens, if not hundreds of millions on London Development Agency (LDA) projects, some of which, frankly, verged on the dodgy.

We have delivered sound finance to London government, with a 25% reduction in managers at Transport for London (TfL), which now has 3,500 fewer staff and which will have vacated 23 buildings by March this year.

We have secured £2 billion worth of savings already, and those savings would, frankly, have been unthinkable under the previous administration. This budget delivers a further £1.5 billion worth of savings. It is those savings that have allowed us to concentrate scarcer resources on the priorities of Londoners. We promised a 24 hour Freedom Pass, we delivered it and we will protect it.

We promised a booze ban on public transport. We delivered it and, with the help of hundreds of extra crime fighters, we have made the Tube network the safest in Europe and brought down bus crime by 30%.

We scrapped the vindictive proposal for a £25 charge on family cars, and I kept my promise to Londoners and listened to what they had to say about the Western Extension Zone of the Congestion Charge.

We promised the best bike hire scheme in the world, and of course it has been so successful that there are now demands from other areas for it to be extended across London.

We did not rage pointlessly at the train operating companies. We persuaded them, through negotiation, to take Oyster on the overground, with the result that millions of Londoners not only have that convenience but cheaper Oyster fares. It is under this administration that the East London line was completed - on time and on budget - and it was this administration that drove forward the second phase to Clapham Junction to finish London's first orbital railway.

This was the first administration to introduce a roadworks permit scheme, which now has 27 of the 33 boroughs signed up and the rest shortly to come on board. This is now beginning to control roadworks with the numbers down a quarter on the Transport for London Road Network (TLRN) from their peak and this year we will secure from Government lane rental, a formidable new weapon against those who unnecessarily delay traffic by digging up the roads.

This budget builds on our success in securing, in spite of the toughest spending round for generations, funding to deliver in full Crossrail and the Tube upgrades. When we arrived in City Hall we found a public transport system that was creaking from decades of under-investment and neglect and it was obvious that the Public Private Partnership (PPP) contracts were not only failing to deliver the upgrades but they were wasting hundreds of millions of pounds. It was this administration that ended that madness and will allow us to ensure that Londoners not only save hundreds of millions of pounds but also that we deliver the upgrades on time and on budget and in a way that suits the needs of the London travelling public.

We all know that TfL staff are dealing with antiquated assets and when their 1920s signal box goes wrong in Edgware Road that can disrupt 250,000 journeys. We have hole punch signalling technology at Earl's Court. We have 40% of the Tube's rolling stock past its expected lifespan. If these upgrades did not happen those assets would so deteriorate that we could face a 30% reduction in capacity as opposed to a 30% increase.

Londoners are entitled to ask when they are offered the choice of a £1.2 billion cut in investment in London transport what exactly it is proposed to cut? That is the question I think people will want the answer to. Could it be the Bank Station congestion relief work; or the upgrades on the Bakerloo or the Piccadilly lines; or perhaps it is the sub-surface lines; or the congestion relief works at Victoria, Tottenham Court Road or Bond Street stations? Which is it? Is it cutting the Safer Transport Teams on the bus network that have been so instrumental in bringing down crime?

I know that these arguments will be heard over and over again and I understand the politics of it. All I will say is that promises to freeze or to cut fares have been made at least twice before and they have been broken both times. I do not think Londoners want to fall for a fares swindle again.

Turning to the Metropolitan Police Service (MPS) budget. It is the first priority of the Mayor to keep Londoners safe and I believe there is a high degree of consensus in this room that we should keep police numbers high. That is why I am rebalancing the precept towards the police to maintain those numbers. I understand that in this election season there are politically motivated, and, frankly, false claims, made about police cuts. I want to repeat; there will be around 1,000 more fully warranted officers on the streets of London at the end of this Mayoral term than there were when I was elected. If you take that together with the doubling - the *doubling* - of the number of Specials from 2,500 to more than 5,000 and single patrolling, that has meant that we have been able to achieve one million - one million - more visible police patrols at the end of this term than there were at the beginning. One million more per year.

All of this has meant that the overall reduction in crime has so far been more than 10%. Youth violence, which is such a priority for everybody in this room, is down more than 15%. Robberies over this Mayoral term are down about 18%. I am proud of that record and the achievements of the Metropolitan Police Service. We remember the era when no one seemed to care about the loss of young lives to knife crime and I think it is right that Operation Blunt 2 has taken 11,000 knives off the streets and Time for Action has had, I believe, and is starting to have, a genuine effect. The number of violent deaths suffered by teenagers in this city has more or less been halved.

I want to repeat that under this Mayoralty there will be no cuts in the police and we will keep police numbers at a safe level. I believe, and I have said many times in this horseshoe, that safe level is around 32,000 or more.

Safer Neighbourhood Teams are sacrosanct to me and they will retain their structure of at least two police constables and three police community support officers (PCSOs), overseen by a sergeant.

I would like to pay tribute to everybody on the Metropolitan Police Authority (MPA) who has worked hard on the budgets to make this possible, particularly of course to Kit Malthouse [Deputy Mayor for Policing and Crime], who is now allowed to take part in the deliberation thanks to the wise chairmanship of Jennette [Arnold], and I believe that in difficult times the MPA has delivered an excellent budget for London.

The London Fire and Emergency Planning Authority (LFEPA) has had real success over the last four years working with the community, increasing the number of home safety visits by 80% and halving the incidents of arson. Last year, we saw some of the busiest nights in the Fire Brigade's recent history and I want to pay particular tribute to all London's firefighters for managing that situation with their usual professionalism and remarkable bravery. The London Fire Brigade has been an exemplar of the public service doing more for less and making sensible investment to deliver long term savings. In this budget we are using the £4.469 million in earmarked reserves to buy out outdated terms and conditions, which will save about £1.3 million every year thereafter. I want to make it absolutely clear that, under this Mayoralty, there will be absolutely no reduction in fire cover and we will continue to make London a safer city from fire.

The last year has seen the LDA and the Homes and Communities Agency (HCA) successfully integrated into the GLA. This budget cements that by ensuring the full delivery of all their programmes

We promised that we would deliver 50,000 affordable homes - the most of any single Mayoral term. In spite of the tough economic times that we are in that promise will be fulfilled and those homes will be delivered. During the next investment round, over 2011 to 2015, we will deliver a record-breaking 55,000 affordable homes, which will not only house Londoners workers but also, the construction of those homes, will create 100,000 jobs.

Our apprenticeships programme has succeeded well beyond our expectations, surpassing original targets, with 40,000 already underway. This budget gives us the means to deliver a target of 100,000 apprenticeships in London by the end of this year.

It allows us to complete the delivery of £216 million to regenerate the capital from the Regeneration and Outer London Funds and the Growing Places Fund. Together, they are giving, I think, our high streets a significant boost. Some traders in Orpington and Bromley report a noticeable increase in footfall and sales following investment from round one of the Outer London Fund and I know that we all look forward to round two, which will see 23 projects across 18 boroughs.

This budget allows these investments without any extra borrowing - again showing this administration's careful stewardship of the public finances. Unlike the mistakes of the previous Labour Government it will not burden future generations with debt.

Finally, this budget delivers, through the new Mayoral Development Corporation, a true legacy for the Olympic and the Paralympic Games, on time and on budget. There will be 10,000 new homes - 40% of them family sized - and 10,000 permanent jobs, in addition to those already created by Westfield and other regenerated parts of east London. We are carrying forward a £30 million programme of investment in grass roots sport - with more to come - to deliver a sporting and health legacy for London from the Olympics, for old Londoners and of course for younger Londoners as well. I want to thank Kate Hoey [Commissioner for Sport] and everybody in the GLA Sport Team for what they have done.

This is a budget that delivers on this administration's achievements over the last 45 months. It delivers on the promises I made four years ago and it promises to grow London's economy. This city has a fantastic future. We are in the right time zone, we speak the right language and, unlike virtually any other city in Western Europe, we have a young, dynamic and growing population, but that population needs investment if it is to compete. We need new river crossings, we need to extend and improve the Tube network and we need to continue to improve reliability and to end the scandal of overcrowding on a scale that would not be tolerated for the carriage of livestock.

We have a choice. We could go for a short term swindle that will cut more than £1 billion from our investments and which would simply drive fares even higher in the future, or we can keep going with our programme of driving down crime, investing in transport, and growing the London economy. We can go back to the politics of waste and division or we can get on with the work of improving the lives of Londoners. Chair, I want to get on with that work and I commend this budget to the Assembly.

London Assembly (Mayor's Question Time) – 25 January 2012

Draft Consolidated Budget 2012-13 – Transcript of Statement by the Chairman of the Budget and Performance Committee

Jennette Arnold (Chair): Thank you very much. Can I now call upon Assembly Member John Biggs, the Chair of the Assembly's Budget and Performance Committee?

John Biggs (AM): My job at this stage, as Chair of the Budget and Performance Committee, is to present, from the Committee collectively, a number of observations on the Mayor's budget.

Can I start by thanking my colleagues on the Budget and Performance Committee, because we work across the political groups and we achieve reports predominantly on consensus. I think it is true also, in the light of the GLA, that the Budget and Performance Committee behind the scenes works very successfully in helping to improve the budget proposals of the Mayor and the functional bodies and the rough and tumble we have later today should not really be allowed to pass without mention. There has been a lot that has been achieved with common agreement across the party groups.

The problem we have had this year with the budget making, Chair, is that the information has not been complete. Last year we had a problem with the comprehensive spending review and the lack of information. This year we still have negotiations going on between the Mayor and Government about funding for core GLA and policing which delayed the consultation budget so the one we have in front of us today is not the complete budget. We are led to believe, through soundbites and other sources, that there is going to be an additional settlement on policing but we do not know what that is yet so we have to comment on the budget as it is and the budget as it is tells us that there is still an £85.5 million gap on savings to be identified in the police budget. It is the biggest budget there has been since the creation of the GLA, notwithstanding the Mayor's assurances that there will be something coming later but we do not know what that is yet. It does raise serious questions about the sustainability of police numbers in London but we will come to that in debate I am sure.

We note also the core GLA budget proposals raise questions about spending on revenue programmes and that is an important matter, particularly given the demise of the LDA and the need to meet the needs for skills training and regeneration work in London with very limited resources. The Mayor has told us he can meet these priorities but the budget at present is one that makes it very difficult for that to be achieved in the collective opinion of the Committee.

The Mayor, for example, also has said that he intends to continue funding the key environment programmes inherited from the LDA but the plans presented to us do not include future funding for the RE:NEW programme and the RE:FIT programme which is

another of these strategic interventions expiring after the year 2013/14. We would like to see more from the Mayor about his thinking in the future as to how he will achieve those environmental objectives which we all agree need to be pursued for Londoners' future.

We also find, as I have mentioned previously, that following the demise of the LDA, spending on skills and employment, youth, business support and environment programmes is falling from £21 million last year to £7 million this coming year and to £2 million the year after that. Given the demands in London's economy for skills and training and support for people who are not yet successfully in employment that is a worrying trend again.

We have also spoken with the Mayor - and this is a bit of a list but it is quite important that it forms part of the record - about the need to use borrowing powers and capital revenue spots and swaps and business rate retention proposals to release additional revenue but we have not yet heard about those proposals. Again, we recognise that is work in progress but, at present, it leaves a large hole in the GLA potential to intervene to help support London's communities.

We made three particular recommendations on the Mayor's draft report in front of us today. The first was about the uncertainty around spending on core GLA revenue programmes. We recommended that the budget includes a breakdown of expected spending at a programme level over the next three years. It needs to be explicit about the use of further borrowing, capital revenue swap and retained business rates.

Our second recommendation was about shared services, which I think we were quite exercised as a Committee about because big promises have been made by the Mayor's office about the potential of this and they do not seem to have been fulfilled. We have been keeping a close eye on the shared services programme. We think there is a continuing potential for efficiencies but we have now concluded that the current targets are unrealistic and should be replaced by ones which are more achievable. They have also become rather meaningless because the definition has blurred and changed so one person's definition of a shared service seems to be different from another's around the GLA family, and that is a concern. We all agree value for money is important but we need to be clear about what our definitions are in order to demonstrate to people who are achieving savings.

We made a third recommendation which is about what we call the Mayor's Office for Policing and Crime (MOPC). As everyone will know the Government has abolished the MPA, has created this new thing but we were expecting - and I think everyone was expecting - there to be savings in that budget compared to the budget inherited from the MPA, and the budget to date shows that the core costs are no less than they were last year. This is in a climate in which every other body is meant to be achieving fine savings. It has lesser overheads in some regards; it does not run a committee system. We had expected efficiency savings. They have not happened. We are still waiting to

hear from the Mayor how he might achieve those savings. Maybe that will be addressed in debate later on.

Finally, we did express concerns about policing. Let us be very clear; we welcome - I am sure across the whole Assembly - additional Government funding which will help policing costs in London, but we have expressed in our budget response our concerns about the future funding for policing post the Olympic Games and risks to the Metropolitan Police Service's workforce mix - because it is not just about police officers, it is also about support staff, white collar officers and technical expertise which help the police to do their jobs. As I said earlier, there remain budget gaps of £145 million and £226 million in years two and three of the budget - so the year after this one, even if we get help with this year's budget. It is universally recognised there will need to be changes in the way the force operates in response to that and, again, we need, as an Authority, to understand how those challenges are going to be met and we need to do it sooner, rather than later so that we can respond effectively.

The Metropolitan Police Service has said there is a growing risk of police officers being used to fill back office roles and that is a concern for all of us I think. We welcome, across the Committee, the Mayor's desire to maintain police officer numbers but we stress that this should not be at the expense of overall policing capacity. There is this idea that policing is not just about people on streets; it is about the capacity of the police to intervene. I think everyone can understand that.

To conclude, I hope that the Budget and Performance Committee work has provided a useful starting point for our debate today. It does highlight a number of concerns. A lot of good work happening as well. There is still work to be done so the Assembly has an incomplete picture in front of us today. We have identified areas where we are still waiting for a response which, we would hope, will come between this and the final budget in a few weeks' time. Thank you, Chair.

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London Assembly (Mayor's Question Time) – 25 January 2012

Draft Consolidated Budget 2012-13 – Transcript of Question and Answer Session with the Mayor

(i) Mayor of London

Darren Johnson (AM): Your budget shows, Mayor, that the GLA will be increasingly short of revenue grant funding in future years, just at a time when the GLA is taking over important LDA programmes on skills and environment and youth and so on. In the medium to long term you are talking about money being released from capital assets but how are you going to fund flagship programmes such as those on youth and skills and environment in the next year?

Boris Johnson (Mayor of London): Darren, you have been very persistent on this point and you are quite right to be so. You are really driving at RE:NEW and RE:FIT. All I can say is that in negotiations and discussions with The Department of Energy and Climate Change (DECC) it is very keen to see London as the flagship of retrofitting. That will require funding. It is a discussion that continues with it. It is not unlike the argument that we have successfully been having about policing but I am confident that we will have a successful result as well.

Darren Johnson (AM): You keep telling me at meeting after meeting not to worry and that the money will turn up somehow but we are still not seeing the detailed spending plans in front of us as to how those programmes can be funded and delivered --

Boris Johnson (Mayor of London): Can I give you one extra line of thinking that may be creative for you? Obviously retrofitting homes is about improving houses and places where people live. It may be possible, Darren, that we should be thinking about whether some of the considerable funds that are available to us under the HCA budget which has now transferred to us could be used to that end. That will obviously be something that we may want to think about.

Darren Johnson (AM): Do you still expect to reach your retrofitting target of 200,000 homes by 2012? You have been in office three and a half years now. So far you have delivered 55,000 homes in terms of retrofitting. That is --

Boris Johnson (Mayor of London): We are confident that we can accelerate the programme.

Darren Johnson (AM): -- 145,000 to go this year. Are you confident that you will get that extra 145,000 during 2012?

Boris Johnson (Mayor of London): As you know, the programme has been accelerating, Darren, and we are not defeated --

Darren Johnson (AM): That is quite an acceleration you will need isn't it? That is quite an oomph.

Boris Johnson (Mayor of London): 55,000 is quite a lot to have done already given --

Darren Johnson (AM): 145,000 to go.

Boris Johnson (Mayor of London): -- the position we were in. Where there is a will there is a way. This is a dynamic city. If you look at what they did in Germany with the *beschäftigung* I think it is something that we should seriously cultivate. I do not think there is any reason to be defeatist. It may be that we do not achieve quite the 200,000 but let's give it our absolute best.

Darren Johnson (AM): Right. This is still your draft budget so I will not be as harsh on you as maybe I would at the final budget stage but will you give an absolute commitment that your final budget will include the full funding required to reach the 145,000 homes during 2012?

Boris Johnson (Mayor of London): I will give you a commitment that we will try to show you some better indications of how we will achieve the retrofit programme but I have absolute confidence that we will --

Darren Johnson (AM): That is a bit waffly.

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

Darren Johnson (AM): Do you want to have a go at giving me a firmer commitment?

Boris Johnson (Mayor of London): No. I want to tell you that our budget will give you a better indication than we have got now --

Darren Johnson (AM): It couldn't give a worse indication.

Boris Johnson (Mayor of London): I am not going to spell out in detail exactly where the funds are coming because this is, after all, still a matter for negotiation. I don't want the Government to think that we can magic the money from somewhere when I think DECC should jolly well be paying for it.

Darren Johnson (AM): So we sit and wait and hope for the best until February 2012 then. Thank you, Chair.

Caroline Pidgeon (AM): Libraries have been closing across the capital, especially in places such as Brent and Lewisham, and you are on record as saying that you really want to support London's libraries and reading programmes in London. Have you considered as part of your budget any funding to support libraries, perhaps through training volunteers?

Boris Johnson (Mayor of London): Actually I am proud to say that Team London has been instrumental in getting a reading programme that is now working in libraries. I went to a new and highly successful library in Hammersmith and Fulham not so long ago where Team London volunteers were working already with young people and helping them to read --

Caroline Pidgeon (AM): What about volunteers in terms of running libraries? The potential for running libraries?

Boris Johnson (Mayor of London): That is exactly what they are doing. There are two functions that they fulfil. One of them is to help, I believe, with the administration but the other is to sit in the library in an area where talking is permitted and where you can make a noise and they are reading to kids. We want to see that across London. I think it is a fantastic thing for --

Caroline Pidgeon (AM): So what level of funding is there in your budget?

Jennette Arnold (Chair): Excuse me. Members are not to interrupt the Mayor because I will not tolerate him interrupting you. I will expect the same respect from both parties. I want finished answers before any interruptions. Mr Mayor, can you oblige by giving short answers.

Boris Johnson (Mayor of London): My answer came to a juddering halt just as you opened your mouth, Chair.

Caroline Pidgeon (AM): What funding have you actually got in your budget for this for the next year?

Boris Johnson (Mayor of London): There are about 380 libraries, I believe, in London. They do a fantastic job. I want to see more libraries. They are funded by the boroughs. We are certainly, through Team London, providing - and Team London has roughly £2 million at least of private funding already and those funds are growing. Those funds are available - not through the GLA budget, Caroline - to support volunteers going into libraries and supporting them by reading to kids.

Caroline Pidgeon (AM): There is nothing specifically in this budget but a different stream.

Boris Johnson (Mayor of London): There is nothing specifically. There is no taxpayer's money that is being vired towards this but we think we can do a great deal through the Team London operation.

Mike Tuffrey (AM): Now you have been talking about the culture of waste and the £2 billion that you have already cut and the £1.5 billion that you say is in this budget. Yet Londoners are still paying the same council tax as you inherited from your predecessor - a council tax level that you used to rail against as being too high. Now since Government has paid for a council tax freeze for the last two years why have Londoners got nothing to show for all this waste that you claim to have been cutting out? Why have they got nothing to show in the form of a council tax reduction?

Boris Johnson (Mayor of London): Most people will not really be familiar with this kind of argument coming from a Liberal Democrat who normally whack up - the most profligate spenders of council tax, the people who have the highest council taxes in London! I think they will be amazed. I do not want to be unnecessarily political today, Chair, but the fact is we have, in real terms, cut our share of the precept by 12% --

Mike Tuffrey (AM): You have not answered my question.

Boris Johnson (Mayor of London): On average that is a £200 saving for London households. A £200 saving --

Mike Tuffrey (AM): So no cut in the council tax for four years.

Jennette Arnold (Chair): Excuse me. I have got a point of order from Assembly Member Jones.

Jenny Jones (AM): Chair, could you explain to the Mayor a response to a question is not the same as answering a question. He seems to be responding with political talk and not answering questions. Please hang in.

Mike Tuffrey (AM): I want to know why he has not cut the council tax.

Jenny Jones (AM): A response is not an answer.

Mike Tuffrey (AM): Exactly.

Boris Johnson (Mayor of London): Actually I gave a thoroughly factual and detailed answer to Mike's --

Mike Tuffrey (AM): No, you did not. You did not explain why --

Boris Johnson (Mayor of London): I did. He is completely wrong.

Mike Tuffrey (AM): -- you have not cut the council tax.

Boris Johnson (Mayor of London): He is completely wrong. We have cut our share of the precept by 12%.

Jennette Arnold (Chair): Mr Mayor, I think Londoners know that there is an election coming up but if you could today --

Boris Johnson (Mayor of London): If the Liberal Democrats were being honest --

Jennette Arnold (Chair): -- just give answers to the questions on the budget that would be appreciated.

Boris Johnson (Mayor of London): I am.

Jennette Arnold (Chair): Have you received an answer to your question Assembly Member Tuffrey?

Mike Tuffrey (AM): No, I have received a response!

Jennette Arnold (Chair): You have received a response.

Boris Johnson (Mayor of London): You have received an answer.

Jennette Arnold (Chair): Can we move on. Assembly Member Biggs. Let's hope you get an answer to your question.

John Biggs (AM): I think it is highly unlikely, Chair --

Boris Johnson (Mayor of London): You got an answer.

John Biggs (AM): Let's give this a go. I should start by saying that the presentation you gave, your ten minute thing, bore very little resemblance, as far as I could see, to life on earth, let alone life in London. We are labouring under record levels of unemployment and job insecurity with many people's wages frozen. A very simple question to start with. Would you agree - I assume you will not but this is a rhetorical device - with our view that the massive pay rises for your advisers, when everyone else in City Hall had their wages frozen, was an inappropriate and clumsy thing to do and instead you should support our proposal in this budget which is to reverse those increases and to give an increase deserved to the lowest paid in City Hall?

Boris Johnson (Mayor of London): I remember having a conversation with you --

John Biggs (AM): Could you answer the question?

Boris Johnson (Mayor of London): -- in the Bureau of Leaders or one of those meetings where you actively resisted the idea of any kind of restraint in the pay of the GLA --

John Biggs (AM): That is simply not true.

Boris Johnson (Mayor of London): I do. I remember it vividly.

John Biggs (AM): The fact that you make things up --

Boris Johnson (Mayor of London): I remember it vividly. I think it is great credit to senior officials in TfL, in the Metropolitan Police Service and across the government of London that they have not taken their bonuses to which they were, in many cases, contractually entitled --

John Biggs (AM): Your mates have.

Boris Johnson (Mayor of London): If you want to compare the cost of City Hall, the cost of government of London, under this administration to the previous administration which you adulated, in total we have moved from 1,375 posts in 2008 to 845 now. That is a saving to the taxpayer of around 40%. That is a £13 million a year saving on staff costs.

John Biggs (AM): With respect, Chair, that bears a very tangential relation to the question. The question I asked is about pay rises in City Hall at a time --

Jennette Arnold (Chair): Have you got an answer to the question, Mr Mayor?

John Biggs (AM): -- when everyone else has their wages frozen.

Your cultural adviser got a 55% pay rise. Why was that?

Boris Johnson (Mayor of London): I am stunned to hear this point from the gentleman on my right because I remember vividly him being in a meeting when --

John Biggs (AM): This is fiction.

Boris Johnson (Mayor of London): -- he objected to our proposals to freeze pay. What we have done is increase, I believe, pay for the lowest paid workers in this place and that is the right thing to do but, overall, what we have done is shown great restraint.

John Biggs (AM): The record will show that you only agreed to that when, ultimately, even your Conservative group revolted against your policy of not increasing the wages for the lowest paid staff in City Hall.

We are in a time of great insecurity and apprehension in London about the future. What signal do you think it gives to London that the only reason you are not in Switzerland yet is because you have to appear in front of the Assembly? Do you think your priorities are right in going to Davos, rather than going to Dalston and talking about the future of London?

Boris Johnson (Mayor of London): Can I remind the Member, I can tell you I have been to more places in London and done more trips and talked to more people in four years than the previous administration did in eight years. He went, frankly, to Havana more times than he went to Havering. I think I am right in saying that he went to Cuba, in the last four years of his administration, more often than he went to Hammersmith and Fulham.

I completely defend the duty of everybody who is helping to put on the Olympic Games to get business for London from the international business world. That is what I am going to Davos for. I take no particular joy in going to hobnob with the Davos world --

John Biggs (AM): There is good skiing.

Boris Johnson (Mayor of London): -- but I have to do it. I believe my predecessor did it for exactly the same reason which is it is the right thing for a Mayor of London to do.

John Biggs (AM): I hope that the photographs from Davos will show you wearing a sack cloth and sleeping in a cardboard box which is the position that many Londoners are finding themselves in.

There is a problem here which is that we have this problem with unemployment in London. Your presentation today did not even acknowledge that. It talked as if life had never been better in this city, that everything was rosy, you had finished all sorts of projects - although, strangely, you did not really announce many --

Boris Johnson (Mayor of London): Absolute nonsense.

John Biggs (AM): -- that you had actually started. You talked about Londoners being unburdened by debt but the fundamental problem is that they are also unburdened by jobs. What is your budget doing? What are you doing to --

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

Jennette Arnold (Chair): Can he finish his question please.

John Biggs (AM): What are you doing to fight for resources for London? You lost the LDA. You lost all of its money --

Boris Johnson (Mayor of London): This programme of £10 billion - nonsense.

John Biggs (AM): -- investment is going down to almost nothing. Tell us what you are doing?

Boris Johnson (Mayor of London): Nonsense. This programme accounts for at least 32,000 jobs in the construction of the transport infrastructure alone. Then there are the jobs that we will generate by investment in housing. Then there is the 100,000 apprenticeships that we are going to produce on top of the 40,000 that we have already done.

I really think that if the Member were being straight with the public and honest with what his programme is he would call attention to the fact that the programme you support would not only do long term damage to the competitiveness of this city, but would cut investment in programmes that are creating jobs for Londoners right now. I think you are going down completely the wrong track. It is this side of the argument. Actually it is an unusual position that we are in because it is this side of the argument that is supporting investment in infrastructure that will drive the creation of jobs and make London more competitive and more attractive for a long time to come.

It is absolutely bizarre that, in desperation, your side has latched on to what I think will be seen as a swindle and a short term swindle which you will not stick to and which will not do London any good.

Jennette Arnold (Chair): Mr Mayor. Thank you. I will have to ask you to give short answers to questions because Members will not be able to get through their questions. The questions are still with you, Assembly Member Biggs.

John Biggs (AM): Thank you. Just two more, Chair. There is a fundamental problem with London's economy and the lack of jobs in London's economy and you have essentially abolished the funding for it.

Let's focus on two of these projects. You have announced twice in the last three months the construction of a river crossing and an extension to the Northern line. Yet, within your budget, there is not a single penny, groat or anything to support those. How can it be that you are telling Londoners you are going to expand their transport system without having any resource whatsoever to achieve that?

Boris Johnson (Mayor of London): As you know perfectly well, John, it is possible to go ahead with the - and this is the beauty of the scheme - Northern line extension, to pick your first example, because the Government has guaranteed the revenues that will accrue from the tax increment financing (TIF). The Government has agreed to stand by that, we will go ahead with the Transport Works Act, and we will do those two new stations that will deliver huge numbers of homes and jobs in that area.

It is also possible, because of the Government's support, to go ahead with the crossing, the Blackwall 2 Tunnel, and it has agreed to stand behind that as well. That is an important achievement --

John Biggs (AM): It has not, Chair.

Boris Johnson (Mayor of London): That is an important achievement for this city. I would just remind everybody that it is very, very bizarre that we are being accused of not putting enough by to invest in London's transport infrastructure when actually they support a programme that would cut £1.2 billion out of our transport budgets. Their sums do not add up. They have got to explain to the people of London what they would cut. Is it going to be bus routes? Is it going to be the Tube? Is it going to be the Freedom Pass? Is it going to be benefits that Londoners have won over the years? It is not at all obvious what they are going to cut but if they are going to be honest with Londoners they have got to say.

John Biggs (AM): I think Londoners are getting wise to the fact that their interest and future is being sacrificed at the altar of the financiers who you are going to meet later today in Switzerland.

One final question which is about savings. You talk about this great achievement of savings and yet are you not ashamed that you did not achieve the savings you presented to everyone else to be met in your own office? You were set a target of £3 million. You only achieved that by borrowing money whereas the rest of us achieved genuine savings. Are you not also ashamed that with the MOPC you have constructed something which is actually bigger than what you started with?

Boris Johnson (Mayor of London): Actually the MOPC has taken on other functions which mean that it has achieved significant economies. I would just remind you of the figures which are that, by reducing bureaucracy in the government of London, which is what we have done in this place, from 1,375 posts overall to 845 now, we have taken in the HCA and the LDA, we have massively reduced bureaucracy and we have saved Londoners £30 million a year on staff costs that would never have been done under the previous administration. We cannot go back to the kind of wastefulness and squandering that we saw.

Roger Evans (AM): Mr Mayor, this is the 12th time that some of us have sat around the table to take part in a budget debate and I think it is worth casting our minds back to the very first one when your predecessor, Mr Livingstone, together with Labour Members, approved a council tax precept increase of 22.9%. In the following year they approved a council tax precept increase of 15.2% and, in the third year, it was an increase of 29.1%. Now in the fourth year, because there was an election coming, they only increased the precept by 7.5%. Mr Mayor, do you think there is a difference in culture between an organisation that regards a 7.5% increase as an achievement and one that regards a 0% increase as normal?

Boris Johnson (Mayor of London): It is a very good budget question because it directly relates to the key question. The key question is do you want to go back to an approach that relentlessly racked up council tax 153%? Is that what you want? Or do you want to go for a thrifty regime that deals carefully with Londoners' hard earned money and spends it wisely on things that matter? That is what we have done.

Just to get back to what Mike was saying, I think it is right - and I sense that the Liberal Democrats are moving towards a proposal for some radical moves on the council tax, perhaps a council tax cut. I do not know what they are going to propose. We have already done that by 12% in real terms.

Mike Tuffrey (AM): We are doing it in actual terms.

Nicky Gavron (AM): Mayor, it is widely acknowledged now that there is a housing crisis in this city and supply is so constrained that there are 200,000 families now living in extremely overcrowded situations. I met a family last week that were a husband and wife and four kids sleeping in shifts because they were in a one bed flat. There are also now thousands of families living in outhouses, living in sheds, on mattresses with cockroaches - appalling slum conditions. In a sense, London, for a civilised city, is now, in parts, looking very Dickensian.

One of the ways you could have been alleviating these problems is to fulfil your pledge to build on your own very substantial land bank and you said you had land for at least 39,000 homes that you could be building. How much have you built? Then I will get on to what you are going to do in the budget.

Boris Johnson (Mayor of London): As you know, Nicky, we have been round this many times and --

Nicky Gavron (AM): This is on GLA land.

Boris Johnson (Mayor of London): We will have done, by May 2012, 50,000 new homes --

Nicky Gavron (AM): No, no. GLA land.

Boris Johnson (Mayor of London): I can give you the figures for what we have done on GLA land at a later date because I do not have them now. Please do not think for a minute that we are going slow on this. There is a massive programme. Look at what is happening at Silvertown where we are seeing huge interest in that LDA site. On the HCA land at Greenwich, if you think about that development. I was just down there the other day talking to Lend Lease and Quintain and they are now, at long last - that thing has been completely blocked for years. That huge development is going ahead. More than 1,000 homes there. I think 1,300 up to 2,000 if you take in the market homes as well.

There is a massive amount of work going on now. If you talk to Rick Blakeway [Mayor's Advisor for Housing, GLA] and our housing guys what you will find, Nicky, is that you are slightly behind the curve because it is not just GLA land, or broad GLA land, that we are talking about. We are now looking to bring together all publicly owned land because, frankly, we are running out of those assets. We are now looking to bring together all publicly owned land in this city to keep housing supply going.

I agree with you completely - and I am sure everybody agrees in this room - that the long term solution, the best solution, to housing supply is to create more homes for people who cannot afford to get on to the housing ladder in London.

Nicky Gavron (AM): I asked the question how many have you built? The answer is that you have built just over 700 and I think there are 300 in the pipeline. That is in the last four years on your own TfL/GLA land. You did say --

Boris Johnson (Mayor of London): I cannot confirm those figures, Nicky, but I will have a look.

Nicky Gavron (AM): Do not interrupt.

Jennette Arnold (Chair): Can she finish her question please.

Nicky Gavron (AM): You did say four years ago that you were going to put your land where your mouth is. Now your predecessor in the previous four years built more than twice that amount, having built up a land bank for you to inherit. What I want to know is what are you going to do - and there is not a word in the budget on the future. You are making so much of this land bank and what you are going to do. What is in the budget to tell me exactly how many you are going to deliver?

Boris Johnson (Mayor of London): Perhaps you were not listening when I said in my opening remarks --

Nicky Gavron (AM): I heard some at Silvertown and so on but how many --

Boris Johnson (Mayor of London): No, no, no. Look, sorry, forgive me --

Nicky Gavron (AM): Why is there nothing in the budget?

Boris Johnson (Mayor of London): There is actually. What we are saying is that over the investment period from 2011 to 2015 we are confident that we can deliver a record-breaking 55,000 more affordable homes --

Nicky Gavron (AM): I am talking about your land.

Boris Johnson (Mayor of London): Much of it is --

Nicky Gavron (AM): He is not answering the question about land.

Boris Johnson (Mayor of London): Much of it will be done, Nicky, on publicly owned land which we are now bringing together in exactly the way that you want --

Nicky Gavron (AM): But you are not making any commitments about that land and I do not know how we can believe you when you said those other statements in 2008 about the quantities.

Boris Johnson (Mayor of London): Let's be clear that you can certainly believe that we will go on to deliver a huge number of affordable homes because we completely defied your scepticism of four years ago. I remember coming in, I remember sitting here, I remember you moaning away saying we would never deliver the thousands of affordable homes that we promised and you always cast doubt on what we were achieving. Actually I think, with great respect to you, Nicky, you should give some grudging acknowledgement of the achievements of the London HCA --

Nicky Gavron (AM): I am very sorry - since you had to plunder the second investment round and since you missed the deadline in 2011 I cannot exactly congratulate you on shifting your goal posts.

I want to move on to another --

Boris Johnson (Mayor of London): We have done more on new affordable homes in four years than any previous Mayoralty --

Nicky Gavron (AM): I want to move on to my second question.

Boris Johnson (Mayor of London): I think if you had an ounce of generosity of spirit you would acknowledge, rather than making endless party political points, that various arms of the government of London have done a formidable job in getting that number of homes built.

Nicky Gavron (AM): You made a great play of having more powers for the GLA and you have brought the powers into the GLA, yet I cannot see anything there to help Londoners with their rents. Now a lot of people are choosing - many, many Londoners - between heating, eating and paying their rent. There is not a line in the budget that I can see on rent. Could you tell me what you are going to do about extortionate rent rises in this city? You have got the powers. What are you going to do?

Boris Johnson (Mayor of London): As you know the principal solution is to build more homes. What you cannot do - I do not know what you mean by the powers - is set rents in this city. When it was last tried the result was that the amount of housing that was available for rent greatly declined and we do not want to see that - I think that would be the wrong way to go.

We have greatly increased the number of registered --

Nicky Gavron (AM): You do not want lower rents.

Boris Johnson (Mayor of London): -- landlords. Yes, we are using our influence, through the negotiations we are having particularly on housing benefit, to make sure that landlords drive their rents down. I am not going to get into the business of pretending that the government of London can set rents in this city because it simply cannot do that. What we can do is increase supply and crack down on Rachmanite landlords.

Richard Barnbrook (AM): Thank you, Chair. Mayor, regarding Crossrail. If the estimates for the business rate supplement fall short how will the shortfall be met to fund the Authority's interest payments on Crossrail?

Boris Johnson (Mayor of London): I have every confidence that the Crossrail commitments can be met. Obviously this is something that is carefully gone over by the TfL Board, by the Finance Committee at TfL, by the Treasury and by everybody who has an interest in making sure that Crossrail is built on time and on budget.

Richard Barnbrook (AM): In that case then if the recession does carry on for a long time, which you were indicating in your opening comments, do you have confidence that the business rate supplement will be robust enough to deal with that?

Boris Johnson (Mayor of London): I do.

Richard Barnbrook (AM): Right. Another comment following that is that the GLA borrowing costs are rising at a time when Government is trying to reduce budgets. Are you not concerned that there is a potential to leave Londoners with a growing burden for generations on this cost with regard to the payment back of this to 2035?

Boris Johnson (Mayor of London): I do think it is important not to burden Londoners with debts. I remember being attacked by Val [Shawcross] I think it was for paying back £140 million worth which TfL had borrowed because we saved the taxpayer, in the end, £140 million that would otherwise have gone in interest payments to bankers and what would have been the point of that?

(ii) London Assembly

James Cleverly (AM): Mr Mayor, later on today the Conservative group will be presenting our draft budget and we have called, as we have done in previous years, for the cost of the London Assembly political groups to be reduced. Will you be supporting our call for the political groups to put their money where their mouth is and work on a tighter budget than they have done in the past?

Boris Johnson (Mayor of London): James, I am sure that your call will be listened to very attentively by everybody who wants to save Londoners money, and I commend you on your work.

Jennette Arnold (Chair): Can I come back, for clarity, to refer people to section three of the budget which shows quite clearly that the Assembly's proposal does meet the requirement that was made of us and that was to achieve the appropriate reduction of 3%. That is in a time when we take on a serious number of scrutinies and the new Assembly coming in in May 2012 will have far more work than the current programme that is in front of them. I want to refer people to that section three of the budget.

(iii) Mayor's Office for Policing and Crime

Let's now move on then to section three and that is the Mayor's Office for Policing and Crime.

Steve O'Connell (AM): You mentioned earlier - and I would agree and I am sure Londoners would agree - Mr Mayor that your prime responsibility is to keep Londoners and their families safe. Since 2008 - again as we heard earlier it is a matter of fact - there will be 1,000 extra fully warranted officers on our streets in May 2012. Specials rise from 1,000 to 5,000. Again, I perennially mention the interest I have because my son is a Special. There will be one million more visible patrols on our streets as an outcome. It is a matter of fact. As of November 2011 crime is down over 10%.

Now, we have heard over the four years you have frozen the precept year on year in each of those four years. How have you achieved this remarkable feat, Mr Mayor?

Boris Johnson (Mayor of London): That is very much the kind of question - that is right. That is the kind of tough, probing, searching question that I would expect from the man who has served well on the MPA, who has had responsibility for police budgets and has done a great job, in my view, Steve O'Connell, in working with others to ensure that we get money where the police want it that is helping them to put bodies out on the street and to drive down crime. That is what we have done. Many people around this horseshoe have played a part in it and it is common sense policing.

Steve O'Connell (AM): Even in these straitened times with the pressures you have around the budget, we on this side particularly welcome the £63 million additional monies to initiatives and we look forward to more detail as that rolls out.

Under your leadership we have seen an increase of rape crisis centres, numbering three extra. How does that growth in rape crisis centres compare with your predecessor?

Boris Johnson (Mayor of London): Most of the indicators on crime are good. The police have done a fantastic job in fighting crime over the last few years. The murder rate is down 24.4% - the last figures I saw; almost a quarter of a fall in murder.

Rape and domestic violence are crimes that we are seeing a greater incidence of, whether through greater reporting or not. It is not good enough to say that it is. Rape crisis centres are absolutely vital for giving the victims, and potential victims of these crimes, the certainty that they will have somewhere to go that will listen to them, be sympathetic and help them. It is vital that the potential perpetrators of those crimes understand that their victims will have support throughout London. That is why we set up four rape crisis centres - or, rather, we expanded the provision that already existed in Croydon, where excellent work has been done for some years, and we set up one in all three other quadrants of the city.

Steve O'Connell (AM): Again I thank you for your support, particularly of the Croydon rape crisis centre, and your visits to that centre - which are in stark contrast with the visits, or lack of, from your predecessor, indeed the lack of interest of your predecessor.

Moving to safer neighbourhoods and Safer Neighbourhood Teams, again, I think we are all relieved and pleased to hear that you have unequivocally stated your support for Safer Neighbourhood Teams under the structure of one sergeant managing the team and two, three or six underneath. It is worth repeating that commitment. You will hear later from my colleague on my left some of the ideas that we may have around further investment in that area which I am sure will be supported across the Chamber. Could you remind me what value you believe that the Safer Neighbourhood Teams bring to the safety and peace of mind of our residents?

Boris Johnson (Mayor of London): I think Safer Neighbourhood Teams are absolutely critical to policing in London and are one of the reasons why crime continues to fall. Do you remember Operation Hawk? It was extremely instructive because you saw there how the Safer Neighbourhood Teams were able to alert the borough commander to what was going on in a particular estate and to help them to devise operations that basically meant they were able, on a certain day, to go through the doors of a lot of people in London who were causing misery to other people on those estates. That detailed granular information about who was really causing trouble and who the people were who were the centres of criminality was made available to the borough commands by the Safer Neighbourhood Teams and that was why Operation Hawk and other operations like it have been so successful.

Steve O'Connell (AM): It is worth putting on record the fact that there is that commitment to the teams and the investment in those teams going forward because that will counter some scurrilous rumours put around that the teams are somehow - and I do not understand it or believe it myself and not do my residents - under threat under your leadership.

It is worth me commenting before I forget - this time last year I commented that I believed that the MPA budget balancing was something of a tour de force and it is right to note and record thanks particularly to the officers, some of whom are in the audience today, of the Metropolitan Police

Service, the MPA and the MOPC now that is, in moving towards a draft balanced budget in these very difficult times. That is a point of record that we should note.

Lastly from me, Mr Mayor at the moment, under your leadership again, with your investment particularly in the Safer Neighbourhood Transport Teams and other investment, Londoners feel safer going about their business in this capital. Particularly as you mentioned earlier our Tube system is recognised as the safest in Europe. I hear from pretty good sources that your predecessor is proposing to scrap your alcohol ban. Surely that cannot be true. What would you say to that, Mr Mayor, if that was indeed the case as part of his manifesto pledges?

Boris Johnson (Mayor of London): I think that would be a serious mistake. That is news to me. That would be a serious mistake. Mr Biggs suggests that the former Mayor would want to make alcohol compulsory. I can see why that might be personally appealing to him. It is not something that I could commend to Londoners. I do think the alcohol ban is the right thing to do. It has, I think, played a significant part in reducing crime on the Tube by 20% and on the buses by 30%.

The other factor - it is not just a ban. The crucial thing is we have got more than 690 officers on the transport network and that is very important. Many of those officers, do not forget, are paid for out of TfL budgets. You have got to ask yourself, for those who want to take £1.2 billion out of TfL budgets what would happen to Safer Neighbourhood Teams and what would happen to our continuing fight to make London's buses and London's Tubes ever safer and friendlier to ride in?

Steve O'Connell (AM): Londoners would be horrified at the thought.

Jennette Arnold (Chair): Can I say I have just received notice of a complaint about Members' behaviour, especially yours, Mr Biggs. Can I remind Members if any Member is unhappy with another Member's behaviour then there is a standing order that I would refer them to, which I will be supportive of. Can I also remind Members that this is not a meeting about candidates for the Mayoralty manifesto so Mr O'Connell I think you were stepping outside the line in terms of that reference to manifesto. Can we stay with the budgets in front of us. Can I call upon Assembly Member Jones in her role as Assembly Member to put questions to the Mayor and hopefully the Mayor will give you answers.

Jenny Jones (AM): You have got a target - let me get the figure exactly right - of 31,957 warranted police officers for the next three years in your budget. Can you tell me exactly how you came to that figure?

Boris Johnson (Mayor of London): The answer is that I think police numbers in London, historically, have been allowed to be low and --

Jenny Jones (AM): No. How you came to that figure is very important.

Boris Johnson (Mayor of London): I have taken the view that a figure of around 32,000 is about right.

Jenny Jones (AM): How did you get to that calculation? Was it just out of your head? Was it based on finance or operational requirements?

Boris Johnson (Mayor of London): I know what you are. It is a question of which comes first, the money or the numbers. I think that is what you are driving at. The answer is that it is the safety of Londoners that comes first and that dictates the numbers. We do not need to be totally fetishistic about 32,000 or 31,957. At or around that level I think is a good thing for this city. That is the answer.

Jenny Jones (AM): Well it is not an answer because you did not calculate it; you just came up with this number as being more than there used to be and so that is the appropriate number.

Let me move on. Do you know --

Boris Johnson (Mayor of London): If it is the policy of the Green Party to reduce that number --

Jenny Jones (AM): No, I am sorry, Mr Mayor, we are here to talk about you and your responses; not about me unfortunately. I wish we were.

Boris Johnson (Mayor of London): I have given you my response which is my view, in consultation with the police --

Jenny Jones (AM): Are you aware that a member of police staff --

Boris Johnson (Mayor of London): -- talking to everybody in London that that is a good number.

Jenny Jones (AM): -- actually costs £20,000 less than the average warranted officer? Are you aware of that?

Boris Johnson (Mayor of London): Yes.

Jenny Jones (AM): Do you realise that your obsession with the number of officers is actually reducing the number of civilian staff which makes the Metropolitan Police Service less efficient? It means that some warranted officers are going to end up doing back room jobs because you are obsessed with police numbers but you are reducing civilian staff that give them all the support and all the back up.

Boris Johnson (Mayor of London): I understand the point that you are driving at, Jenny, but actually if you look at the numbers of civilian staff they are pretty much consistent --

Jenny Jones (AM): I am sorry; you are completely wrong. I do not know what figures you are looking at, Mr Mayor. You are completely wrong. I think that both of your advisers behind you should tell you that you are talking out of your hat.

Boris Johnson (Mayor of London): I do not think they are actually. If you look at the staffing numbers they will remain more than 13,500 whereas, in 2001, they were at 10,000 or so.

Jenny Jones (AM): Yes, but since then we have had a rise in police numbers and a rise in civilian staff. You are now reducing civilian staff. You are getting an in-balance between your warranted officers and the amount of back room help that they need. That actually makes London less safe. That means you are going to have much more expensive police officers doing civilian jobs.

Boris Johnson (Mayor of London): It is common ground amongst --

Jenny Jones (AM): You know it is true. You know it is true.

Boris Johnson (Mayor of London): No, it is not true, Jenny. The proof of the pudding is in the eating. Everybody who has worked on police budgets knows that there are plenty of ways of eliminating posts in information technology (IT) or human resources (HR) or whatever it happens to be that enables us to divert resources to getting police out there on the front line. These --

Jenny Jones (AM): You have still got back room jobs.

Boris Johnson (Mayor of London): -- numbers are extremely high.

Richard Barnbrook (AM): Mayor, on section one, going back, regarding police, on page 24, point 8 1.2, it reads boosting confidence and satisfaction in the Metropolitan Police Service by total policing. A total war on crime. Total care for victims. Total professionalism of the force. Yet I am led to understand in the *Evening Standard* on 12 January 2012 policing in London will dramatically reduce the number of random stop and searches. That is halving the number of stops and a serious reduction of section 60 orders. Is this a budgetary decision or is this simply to appease certain parts of the community? I was always led to believe that the Commissioner - I heard from his own mouth - is a no nonsense chap. How can we really be that hard on a total war against crime when, in the past, from what we are hearing across this side, is that your policing has been successful to reduce this down? Do you not think you may find yourself slipping back towards a minus rather than a positive?

Boris Johnson (Mayor of London): It is a very interesting area of debate. I happen to think that stop and search is a vital part of the war against knife crime in particular. We have taken about 11,000 knives off the streets of London. It was the right thing to do. I think what Bernard Hogan-Howe, the Metropolitan Police Commissioner, is now looking at is whether the system could be varied a bit or whether it could be done in a different way. The police obviously have to be sensitive to the response they get from people who complain that their children have been searched seven or eight times and they never had anything on them, or whatever it happens to be. They have got to do it politely and they have got to do it in conformity with the law. That is what they do. That is what Bernard Hogan-Howe wants to achieve but, believe me, he thinks, as I think, that stop and search is an integral part of what we are doing to make London's streets safer and we are going to continue in that way.

Richard Barnbrook (AM): To halve it seems rather radical. Can you not just be more sensitive in the approach you take to stop and search, rather than actually halving the amount?

Boris Johnson (Mayor of London): I am not certain that is the course that he is going down. They are going to make sure that they get identical results in terms of taking knives off the streets and deterring crime but I think Londoners would want the police to take account of sensitivities amongst families in a way that stop and search is handled. It is entirely right that the Metropolitan Police Service should take note of what is being said to them by parents and do it in a way that is both effective but polite and that is what we are going to do.

Richard Barnbrook (AM): It is not a budget issue then?

Boris Johnson (Mayor of London): It is not a budgetary issue at all, no, absolutely not.

Joanne McCartney (AM): Mr Mayor, I think there is something we can agree on and that is that police officer numbers do matter and we saw that with the disturbances last summer; that the number of officers we were able to get out on the streets made a big difference to reducing the disorder.

I want to ask some questions about those police numbers and how we are going to fund them. At the moment for the forthcoming year there is an £85 million budget gap in the police budget. Now we know you are planning to take £30 million destined for the fire service and plug part of that gap and -

Boris Johnson (Mayor of London): Well it is £30 million in the LFEPA reserves.

Joanne McCartney (AM): Reserves. We are then led to believe that Government is going to bail you out in your election year. Could you give us a few more details as to how much money you are negotiating with Government to obtain? Your Deputy told us, two weeks ago, that he hoped to have an estimate last week on this.

Boris Johnson (Mayor of London): Joanne, as I said right at the beginning there have been a series of negotiations going on with Government. It is a point I think you will remember me making after the riots of last August. We began the talks then. I am absolutely confident that we will be able to protract the high numbers for London's policing - the 31,957 or whatever figure it was that was just quoted, that roughly 32,000 figure - for the lifetime of this comprehensive spending review period. That is the critical thing. In other words we can take it up to 2015.

What I cannot promise you is what happens beyond 2015. I will be absolutely straight. Beyond 2015 we will have to go into fresh negotiations. Until then I am confident we do have the funding for roughly 32,000 warranted officers.

Joanne McCartney (AM): Yesterday you gave an interview to the LBC show in the morning and you admitted then, for the first time I believe, that police officer numbers have actually fallen by 1,700 --

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

Joanne McCartney (AM): -- over the last two years.

Boris Johnson (Mayor of London): Oh come on. You can do better than this.

Joanne McCartney (AM): That question was put to you. I have a transcript here. A question was put to you that numbers have gone down by 1,700 and you said, yes.

Boris Johnson (Mayor of London): What I said - and I think everybody understands - is that we have been able to get record numbers out on the streets and, by May this year, there will be 1,000 more than there were when I was elected. There have never been so many officers on the streets of London. That is an incredible thing to have achieved at a time of real economic hardship when

budgets are being cut around the country. There are metropolitan forces around Britain that are amazed at what we are achieving in terms of police numbers.

Joanne McCartney (AM): Mr Mayor, police officer numbers have been cut by 1,700 over two years --

Boris Johnson (Mayor of London): No. Over my Mayoralty they are going up by 1,000. Yes, there has been a fluctuation but the overall number is well up and that is thanks to good management of our budgets.

Joanne McCartney (AM): Mr Mayor, they have come down by 1,700 over the last two year and you admitted that yesterday --

Boris Johnson (Mayor of London): I have been in power for four years in case you hadn't noticed.

Joanne McCartney (AM): -- on the radio. I want to take issue with the fact that there will be 1,000 more officers when you leave office than you have actually created because if I look at the numbers that you actually inherited a budget was passed in the February of the year you were elected in 2008 that was your predecessor's budget.

Boris Johnson (Mayor of London): Oh right.

Joanne McCartney (AM): You inherited that budget and you inherited that plan which actually had a budgeted number of just under 33,000 police officers to be created so your aspiration to put back some of your cuts to get it up to 32,000 is actually 1,000 officers less than your predecessor's plan and last budget that you inherited.

Boris Johnson (Mayor of London): This is all a load of complete and utter --

Joanne McCartney (AM): I have got the figures and the budgets here in front of me, Mr Mayor.

Boris Johnson (Mayor of London): -- nonsense. I inherited no plan from my predecessor --

Joanne McCartney (AM): We passed it in this Assembly.

Boris Johnson (Mayor of London): Absolutely not. What I had to deal with was an economic crisis very largely caused by profligate spending programmes supported by your side of the argument that led to massive cuts in public spending across the board. We have been able to negotiate very hard with Government to keep police numbers very high considering the difficulties that the public finances are in. I am going to continue to fight for Londoners' interests and I am very, very proud of the record that will see police numbers about 1,000 higher at the end of my term than they were when I came in.

Joanne McCartney (AM): Mr Mayor, there are around 700 less officers than your budgeted number for the forthcoming year at the moment. Has recruitment opened yet and are you envisaging hiring those 700 officers in the next three months before the election?

Boris Johnson (Mayor of London): I am informed the recruitment happens in large batches and, yes, I am told that we have every reason to be confident that we will get to the figure I have been talking about.

Joanne McCartney (AM): OK. So could you tell me exactly how many police officers are employed at the moment?

Boris Johnson (Mayor of London): I can tell you that as of 31 March --

Joanne McCartney (AM): No, can you tell me now. Since the abolition of the MOPC there have been no specific numbers put on the website. The last I have is the end of November 2011 and there were 31,332 so nearly 1,000 less than was planned last year.

Boris Johnson (Mayor of London): I am told that as of 31 March 2012 there will be 32,320 which seems, to me, to be a pretty good number.

Joanne McCartney (AM): So you cannot tell me how many officers are currently employed in London?

Boris Johnson (Mayor of London): There is a recruitment process going on, Joanne. I can tell you that it is forecast that that process will lead to 32,320 officers in March this year.

Joanne McCartney (AM): So you cannot tell me how many there are at the moment. I want to --

Boris Johnson (Mayor of London): I can tell you what our recruitment programme is going to deliver in two months' time.

Joanne McCartney (AM): I want to move on now to Safer Neighbourhood Teams. You said they are sacrosanct yet they were not sacrosanct last year when you agreed with the cuts of 150 sergeants to those teams. I questioned the Commissioner only six weeks ago and asked him about the further 150 sergeants that were planned to go in this forthcoming financial year and he said the plan was still to cut them. Do you agree with that?

Boris Johnson (Mayor of London): You know full well that every ward in London has, and will have, a Safer Neighbourhood Team and that they will all be supervised by a sergeant. Borough commanders have made it clear to everybody, even to you I suspect, Joanne, as well - I do not wish to sound unduly hostile. Borough commanders will have made clear that they see no reason why capable sergeants should not be given oversight of more than one Safer Neighbourhood Team.

Joanne McCartney (AM): So we are expecting further cuts to Safer Neighbourhood Teams next year?

Boris Johnson (Mayor of London): No, we are not expecting cuts to Safer Neighbourhood Teams and --

Joanne McCartney (AM): You just said to me that sergeants would be going.

Boris Johnson (Mayor of London): The plan is to maintain Safer Neighbourhood Teams in every particular with the two PCs and three PCSOs but to ensure that they are managed as efficiently as possible. I think that is what Londoners would like to see.

Joanne McCartney (AM): So you are not going to give that guarantee. Thank you.

Boris Johnson (Mayor of London): I can certainly say there will be no cuts to Safer Neighbourhood Teams. I think it is absolutely scandalous that you continue to scaremonger about this and you refuse to acknowledge the amazing achievements of the Metropolitan Police Service in keeping numbers high and keeping police officers out there. Not a single word of praise passes your lips to what they are doing. It is unbelievable.

Joanne McCartney (AM): Mr Mayor, the Commissioner told me himself the plan is still to cut them.

Boris Johnson (Mayor of London): We are not cutting Safer Neighbourhood Teams.

Dee Doocey (Deputy Chair): Mr Mayor, the Metropolitan Police Service's budget has seen some dramatic cuts in expenditure, necessary because of the financial situation that we all find ourselves in but some of which have been very, very painful. How can you therefore justify continuing to provide private flats and chauffeur driven limousines for senior Metropolitan Police Service officers at a cost of more than £1 million a year? Before you respond, Mr Mayor, can I make it very clear that I am excluding from those figures the six cars and drivers that are required for security purposes so I am just talking about senior Metropolitan Police Service officers who are getting unbelievable perks at a cost to the British taxpayer of over £1 million a year.

Boris Johnson (Mayor of London): You are making a good point and I have actually raised this personally - certainly with Sir Paul Stephenson [former Commissioner, Metropolitan Police Service]. I have not yet raised it in detail with Bernard Hogan-Howe. The argument that is given to me is this is part of the terms and conditions of the job. All I would point out to you in mitigation of that is that, in tough times, what the Police Commissioner and his senior staff have done is foregone the bonuses to which they might otherwise have been entitled.

I do think sometimes there is more that they could do to minimise their perks and privileges as you describe them but all I can report to you is that, in my conversations with Commissioners thus far, I have not met with success in those conversations.

I note that you have been sitting on the MPA for some years and I wonder whether, in that forum, it might be possible to have a - I do not know whether you have done a detailed report or inquiry into that matter and how far you have got in getting the support of your fellow MPA Members to a programme of reduction of those perks and privileges but if you were to do such a thing then I would be very interested to look at it.

Dee Doocey (Deputy Chair): Thank you, Mr Mayor. The record will show that this is a topic that I have returned to time and time and time again on the MPA and certainly your Deputy Mayor for Policing and Crime took a similar view to that. I am not putting words in his mouth but I think he found it difficult to justify. I think what needs to be done is that you and your Deputy Mayor for Policing and Crime need to work harder to persuade the new Commissioner - and it might be easier to persuade the new Commissioner because obviously he has got different views - to accept that, in a

time when everybody is feeling the pain, it should also be felt by senior officers. Thank you, Mr Mayor.

Boris Johnson (Mayor of London): The senior officers have shown a great deal of understanding in the sense that they have cut their pay but I take your point.

Brian Coleman (AM): I just want to reassure colleagues the art of scrutiny is not dead on the Conservative benches so I thought I would come in. Mr Mayor, you acknowledged the £30 million you have had this year from the LFEPA reserves and the £20 million last year, making £50 million. Will you reassure those Members of LFEPA sitting in this Chamber that you do not treat LFEPA as some sort of cash cow for the Metropolitan Police Service bearing in mind, in years three and four of the comprehensive spending review, we are going to suffer substantial cuts in the fire grant?

Boris Johnson (Mayor of London): Absolutely. I want to pay tribute to LFEPA and to you, Brian. I think the reserves remain at around £26 million or so, in spite of the cash that we are using to support the police. I think that is a tribute to the way LFEPA is managed.

Brian Coleman (AM): Can I ask on the shared services agenda because, although £30 million is a considerable amount it is a relative drop in the ocean on the size of the Metropolitan Police Service budget that is before Members today. That £30 million could be achieved, could it not, in future years by far more attention perhaps on the Metropolitan Police Service and some other functional bodies on the shared services agenda? Could you give us some sort of assurance that you are going to insist on specific projects on shared services in the next financial year?

Boris Johnson (Mayor of London): Yes. As John Biggs said in his opening presentation, I think, there is more to be done on shared services. We need to be more realistic about what we can achieve but, clearly, the GLA has shown the way. We have bought the HCA and the LDA in. There is a lot of work that can be done to share services across the board and it is high time we got on with this.

Brian Coleman (AM): Will you and your Statutory Deputy Mayor for Policing and Crime actually put it in the appraisal of senior officers of the Metropolitan Police Service, both uniformed and non-uniformed, as we have done at LFEPA, that shared services has got to be more of their priorities when it comes to their appraisal?

Boris Johnson (Mayor of London): Absolutely. I do not know whether LFEPA still has a Director of Communications or whatever but it may be that there are functions that even LFEPA could share with other functional bodies.

Richard Tracey (AM): Mr Mayor, earlier on in your opening speech you spoke about the rather remarkable achievement in increased patrols by the Metropolitan Police Service. What difference do you think that makes to the life of Londoners? You and Sir Paul Stephenson were very instrumental in introducing the individual patrols. How do you rate it?

Boris Johnson (Mayor of London): I think it has been incredibly important. If you add together what we are doing with the single patrols and the Safer Neighbourhood Teams - which I want to repeat for the benefit of everybody listening - are sacrosanct under us and will not be cut; they have done a huge amount to improve the sense of security.

So, of course, have the Specials. I met some myself last night out on patrol doing a fantastic job in Islington. They are now an integral part of what we are doing in providing reassurance by getting police out there. Specials have gone up from about 1,000 or so to more than 5,000 under this Mayoralty. Don't forget Specials have all the powers of a warranted officer.

Richard Tracey (AM): Do you favour individual patrols over the format which various constituents have raised with me - and no doubt with colleagues too - about several PCSOs patrolling together? Do you actually favour the individual patrols as a more effective operation?

Boris Johnson (Mayor of London): It can depend. I think individual patrols are very good because it allows the officer to interact more with the community and people feel less intimidated by a single officer, but I have spoken to some police officers, particularly female officers, who feel sometimes they want to patrol in pairs. I perfectly understand that argument too. What we are doing with the flexibility that we brought in is we have allowed borough commanders much more scope to decide how they want to do it and we have got another million patrols a year.

Gareth Bacon (AM): Mr Mayor, will you join with me in feeling rather sorry for the Labour group because it seems clear that they decided, round about 18 months ago, they were going to hammer you for two years, going into the polls, at having reduced police numbers from the time that you inherited office in May 2008? We have seen another example of that today - desperate scaremongering yet again over police numbers. So, for the avoidance of doubt, can you confirm, Mr Mayor, that in April 2008 the number of bodies in uniforms carrying warrant cards was 31,398 which included 1,000 trainees and --

Boris Johnson (Mayor of London): That is right.

Gareth Bacon (AM): -- as at April of this year that number will be 32,320?

Boris Johnson (Mayor of London): That is right. Not only that, Gareth, but, as far as I can remember, our figures exclude the trainees of whom there were about 1,000 --

Gareth Bacon (AM): That is right.

Boris Johnson (Mayor of London): If you add those on we are doing even better --

Gareth Bacon (AM): Indeed.

Boris Johnson (Mayor of London): -- in recruiting police officers. If there was an ounce of decency and common sense, rather than shameless scaremongering and party politicking from these people; that is what they would say. They would go out to their constituents and say London is being made a safer place thanks to the exertions of people involved in the government of London - the MPA and everybody else - who have cut budgets on waste and put it where Londoners want to see it. What you are saying is absolutely right and deserves to be shouted from the rooftops.

Gareth Bacon (AM): Good. I am glad to see that you share my compassion for their desperation, Mr Mayor.

We have heard some more scaremongering again - and it does feel a bit like a stuck record - about cutting sergeants from Safer Neighbourhood Teams. Can you confirm that operational priorities are, rightfully, the responsibility of borough commanders, rather than setting rigid frameworks by the politicians sat opposite?

Boris Johnson (Mayor of London): I am not going to cut police numbers. That is the crucial thing. I do not believe in that. I do think that borough commanders - and they talk to me, to Joanne and to everybody about this - where they see the opportunity to get better value out of their staff, get better value out of police officers, then I do not believe that anybody on the MPA will want to stand in their way.

Gareth Bacon (AM): So you agree, Mr Mayor, that operational flexibility, based on local knowledge, is rightfully in the hands of borough commanders, rather than politicians sat in ivory towers like City Hall?

Boris Johnson (Mayor of London): Yes. I do think there is a democratic mandate for a Safer Neighbourhood Team in every ward and that is what we are going to continue to achieve.

(iv) London Fire and Emergency Planning Authority

Navin Shah (AM): Mr Mayor, can you give a guarantee that no fire stations will close under your budget proposals?

Boris Johnson (Mayor of London): I can certainly guarantee that there will be absolutely no cuts in fire cover under me.

Navin Shah (AM): Can you guarantee that this will be the case that there will be no closure of fire stations, no cuts in fire appliances or reduction in fire fighter numbers in the next two years when LFEPA faces a major black hole because of the £64 million savings that are required?

Boris Johnson (Mayor of London): All I can tell you, Navin, is there will be absolutely no cuts in fire cover. I just remind you what I said at the beginning which is that the London Fire Brigade is continuing to produce outstanding results. I believe that there has been a continuing fall in the number of deaths from fire, arson has been halved and there has been a great deal of success in the engagement with local communities to greater awareness of fires. That does not mean that it is not right to work with the LFEPA budget to deliver greater value.

Navin Shah (AM): Mr Mayor, I listened very carefully and intently in terms of your statement but I do not buy that everything is OK because even with the existing budget round the situation we have is that there are cuts in community safety work in the current budget and there are cuts in health and safety related works. You are happy to give an assurance as far as police is concerned that you have got funding for 32,000 warranted officers until 2015. Why are you not prepared to give a clear commitment that your budget has enough funding for the next two years to make sure that there will be no cuts in the number of fire fighters or appliances or you will not be closing fire stations? I am after a clear commitment at that level.

Boris Johnson (Mayor of London): There will be a new London Safety Plan in 2013/14, as you know, and we are confident that LFEPA will be one of the potential beneficiaries of the business rate retention scheme and that it will be possible to fund the fire brigade handsomely thereafter.

Navin Shah (AM): Mr Mayor, you have treated LFEPA as a cash cow - using Brian's terminology - so far. There is no money left. In 2013 --

Boris Johnson (Mayor of London): There is £26 million.

Navin Shah (AM): -- we will be left with just about £30 million in reserves which is the overflow level. Where are you going to find that extra £65 million/£70 million to plug that gap? Surely business rates do not amount to that sort of money. Have you done any calculations? Have you got a strategy for those two years when you have got massive backloading and our front line services are at stake? Have you got any strategy for that?

Boris Johnson (Mayor of London): I just remind you that LFEPA agreed unanimously the £30 million transfer to the MPA. I think you voted for it as well and I think it was the right thing to do. It leaves reserves of £24 million at the current rate of fire and the fire brigade doing an outstanding job and I am content that we will be able to continue to fund LFEPA in the way that we need to.

Navin Shah (AM): Mr Mayor, in the interest of the GLA family, yes, we have agreed to not just £30 million this year but £20 million before but, having raided the reserves, what strategy do you have to protect front line services? You certainly have no plans and we will be exposed to the closure of fire stations or drastic measures to find the huge sums of money that we are looking at.

Boris Johnson (Mayor of London): Obviously a large part of LFEPA's funding comes not just from the precept but obviously from Government grant as well and I am confident that Government grant, should it be necessary, will be forthcoming.

I would just remind you that it is paradoxical, Navin, again, that you are advancing this argument for greater GLA resources and reserves when the only policy that I am aware of coming from the Labour guys is for a £1.2 billion cut in our spending power so how do you make it stack up?

Mike Tuffrey (AM): Now, a man of your heritage and learning surely does not want to go down in history as the person who shut the Fire Service Museum five weeks before polling day. Can you give us an assurance that the Fire Service Museum will be open to visitors until the site is redeveloped, because the current budget before us proposes closing it on 1 April 2012?

Boris Johnson (Mayor of London): Have you been to see the museum?

Mike Tuffrey (AM): I have.

Boris Johnson (Mayor of London): It is a very interesting collection --

Mike Tuffrey (AM): So is it going to stay open?

Boris Johnson (Mayor of London): It could be displayed better. We should have a Blue Light Museum for London. That is what we would like to do. Negotiations are currently underway for a future for the handsome appliances that --

Mike Tuffrey (AM): So you are not guaranteeing that it will stay open until the site is redeveloped and you are confirming that this budget before us today would close it on 1 April 2012?

Boris Johnson (Mayor of London): I cannot give you that confirmation here and now, Mike, but I am happy, since you are obviously passionate about the Fire Brigade Museum - which I think receives too little attention from visitors --

Mike Tuffrey (AM): Attendance figures are going up.

Boris Johnson (Mayor of London): I am happy to engage with you in more detail afterwards once we can ascertain what the programme is.

Mike Tuffrey (AM): We will be proposing in a moment that it stays open so I will take your endorsement for that.

Boris Johnson (Mayor of London): Excellent. I hope that, out of the precept that you are going to cut, you will find the funding --

Mike Tuffrey (AM): Actually Brian's closure proposal would not save any money for four years so it isn't even an economy measure; it is crackers to close it and you should say openly now that it should stay open.

Boris Johnson (Mayor of London): Mike, as always, I hear what you say. I will look at it and we will see what we can do.

Brian Coleman (AM): I am delighted so many Liberal Democrats have visited the Fire Brigade Museum - we cannot keep Simon Hughes [MP for Southwark] away at the moment! I am seeing him I think it is next week.

Anyway, Mr Mayor, would you accept that an organisation like LFEPA - but LFEPA in particular - has got to take innovative action to ensure it sticks to budget, such as the recent contract we have done on the training which is saving London's tax payers £1 million a year? That is the sort of project that public bodies have increasingly got to look towards.

Boris Johnson (Mayor of London): I certainly think that it is a duty on all of us to minimise waste and to try to contract our services where we can, yes.

Brian Coleman (AM): Would it come as a surprise to you that the Labour group actually voted against that contract and that saving which, over the life of the contract, will save Londoners £25 million? Would that come as a surprise to you, Mr Mayor?

Boris Johnson (Mayor of London): No, it would not because I know that, in opposition, the Labour group behave very differently from the way it did when it ran LFEPA and taking those types of decisions.

Brian Coleman (AM): Mr Mayor, do you recall your first budget you presented to this Assembly where you reconfigured the precept so in fact there was a subsidy to LFEPA at the cost of the Metropolitan Police Service and my good friend, Kit Malthouse, and I had words at the time over that? Really what has happened in the last two years is just a re-balancing of the generous way that you treated LFEPA in the first year when we had a small local difficulty.

Boris Johnson (Mayor of London): I am happy to accept that characterisation if that is the way you wish to describe it. It is sensible management. What it is about is sensible management of GLA resources to get the best value for Londoners.

Brian Coleman (AM): Indeed, Mr Mayor. Therefore would it come as a shock to you that, in all the budget discussions that we have had in the last six months or so at LFEPA, we have not had one alternative Labour proposal at all?

Boris Johnson (Mayor of London): Do you mean to say they have not put forward any kind of positive proposal at all? Do they not have anything to say about how they would like to take the city forward at all?

Brian Coleman (AM): I have been quite shocked, Mr Mayor, at the complete vacuum --

Boris Johnson (Mayor of London): Is there an intellectual vacuum --

Brian Coleman (AM): -- on the Labour benches.

Boris Johnson (Mayor of London): Is there a gibbering nullity between their ears?

Brian Coleman (AM): There is complete silence actually. Complete silence. There is a vacuum. There is a vacuum, Mr Mayor, at LFEPA. I saw a man who wasn't there. He wasn't there again today!

Jennette Arnold (Chair): Mr Coleman. This isn't a Gilbert and Sullivan play!

Brian Coleman (AM): It is far more entertaining actually!

(v) Transport for London

Caroline Pidgeon (AM): Mr Mayor, in your Mayoral decision on unpaid fares you said that fare evasion is costing over £63 million a year. What have you funded in your budget to tackle this and reduce fare evasion?

Boris Johnson (Mayor of London): One of the most important things that we - and I deprecate fare evasion. I condemn it very strongly. I think it is a disgrace that people can be sometimes even encouraged by political figures to evade fares and it is absolutely wrong that fare evaders are pushing up costs for everybody else and coarsening our society. I think it is absolutely wrong and they should be fully prosecuted. That is one of the reasons we have got another 697, from memory - possibly more - warranted officers on the transport network, we have greatly increased the Safer Transport Teams, there are many more people on buses in uniform now than ever before to monitor - since the

era of conductors there are more people in uniform on buses now than that era to monitor fare evasion. We will continue to fund that.

Let me give you one final point. We did get rid of the bendy, the articulated bus, which was a licence to steal from the rest of the travelling public. Huge numbers of people were getting on the so-called free bus and not paying. It was grossly unfair on everybody else. We have got rid of it and high time too.

Caroline Pidgeon (AM): I think TfL estimates that £7.4 million extra revenue could come in once bendy buses have been removed. In fact you did say in --

Boris Johnson (Mayor of London): I am delighted that you now support the policy. You have been very late.

Caroline Pidgeon (AM): If I could carry on. In 2008 you said that you wanted to crack down on fare dodgers who are now epidemic on the bendy buses. This year we are going to see the roll out of your new bus for London. Let me just read your leaflet. It says, "With three doors and a conductor who will not collect fares, check passes or validate Oyster cards". So how exactly will your new bus for London reduce fare evasion?

Boris Johnson (Mayor of London): I think you are being facetious because --

Caroline Pidgeon (AM): You do not like bendy buses but your leaflets --

Boris Johnson (Mayor of London): -- obviously the conductor is not there in the old way with a machine to take fares. That is not what is going to happen. There will continue to be an automated system but that person will invigilate the passengers and ensure that they do not evade fares. As long as the open platform is working that is what they will do.

Caroline Pidgeon (AM): It is very clear in your leaflet, your publicity --

Boris Johnson (Mayor of London): No. You are being completely misleading.

Caroline Pidgeon (AM): The conductor will not collect fares, check passes or validate Oyster cards. You are bringing in a new bus for London with three doors that open and close like the previous bendy bus --

Boris Johnson (Mayor of London): Do not be ridiculous.

Caroline Pidgeon (AM): -- but you are not actually going to have someone tackling fare evasion which is what you so desperately need to do --

Boris Johnson (Mayor of London): Of course they will tackle fare evasion. A child could understand the --

Caroline Pidgeon (AM): That is unfair.

Boris Johnson (Mayor of London): A five year old child could understand the equivocation that you are attempting to practise in this argument. What you are trying to say is that there will be no one to stop fare evasion. That is absolutely untrue. There will be a conductor to stop fare evasion. What that person will not do is issue tickets, print out tickets, from a clipping machine in the old way. Of course that will not happen.

Caroline Pidgeon (AM): What I am saying, Mr Mayor, is that you made a big thing that you were going to have conductors on these buses. Everyone would expect conductors to collect fares, check passes and validate Oyster cards --

Boris Johnson (Mayor of London): You would expect them to collect fares?

Caroline Pidgeon (AM): Even if you are going to say it is cash free --

Boris Johnson (Mayor of London): You must be out of your mind.

Caroline Pidgeon (AM): -- but you could have them validating Oyster cards. That is what people expect.

Boris Johnson (Mayor of London): Sorry, why would a conductor collect fares when you have the Oyster swipe system? What the conductor is there to do is to invigilate people using that system to make sure they do not cheat.

Caroline Pidgeon (AM): Mr Mayor, people get on at the back door. They do not go past the driver. You need to collect their fare and make sure that they are not evading fares which, as you have already said, is a real problem --

Boris Johnson (Mayor of London): That is exactly what he is going to do.

Caroline Pidgeon (AM): I think there is an issue with your argument, Mr Mayor, that you promised a new Routemaster for London with a conductor on. Everyone expected --

Boris Johnson (Mayor of London): You are talking absolute nonsense --

Caroline Pidgeon (AM): -- the same role as before, with respect, and actually --

Boris Johnson (Mayor of London): You are talking absolute nonsense.

Caroline Pidgeon (AM): -- you are bringing in something similar, effectively, to a bendy bus.

Boris Johnson (Mayor of London): Nonsense. You are talking absolute nonsense. There will be a conductor on board those vehicles to invigilate the passengers, to help the passengers and to make sure that people do not cheat their fares. I am delighted that you now support, belatedly I may say, the removal of the bendy buses. In all four years I never heard a peep from you about it before. You have not mentioned the fare evasion on the bendy buses before --

Caroline Pidgeon (AM): I think you will find I did two years ago if you look at the transcript. We had a discussion about us putting in more inspectors to make sure we tackled fare evasion. I think we had a discussion about that. Your memory is obviously letting you down, Mr Mayor.

Boris Johnson (Mayor of London): Why are you complaining when we decide to put a conductor on board each of the new generation buses?

Caroline Pidgeon (AM): In your budget you have not put enough in to tackle fare evasion, when you have got £63 million a year, and your new bus is not going to help in the slightest with that.

Boris Johnson (Mayor of London): You are talking complete nonsense. There will be a conductor on board those vehicles to invigilate and to make sure that people do not evade their fares.

Caroline Pidgeon (AM): It is in the TfL leaflet.

Richard Tracey (AM): Mr Mayor, you gave us a pretty good report on the successes of TfL during the last four years and also encompassed in your budget. How do you feel the period whilst you have been Mayor, the economic circumstances, compare to the four, or indeed the eight, years before?

Boris Johnson (Mayor of London): The circumstances have completely changed. Very largely thanks to incompetent policies pursued by the Labour Government public finances went completely out of control and we have had a very serious period of retrenchment. TfL has had to deal with a £2.2 billion cut in its grant. We have had to find, in addition to that as I said in my opening statement, about £2 billion worth of savings and there are going to be more savings in this budget. It has meant huge retrenchments in TfL. I think the astonishing achievement is to continue to deliver so much with so little and to continue to spend Londoners' money but now to spend it wisely and not to waste money on pointless projects such as a £34 million study - a study - for a tram that never existed.

Jenny Jones (AM): What about the new bendy bus?

Richard Tracey (AM): What about the success of --

Boris Johnson (Mayor of London): If you want to bring back the bendy buses - if that is the policy - then they should be honest about it. Is that what the policy is - to bring back the bendy bus?

Jennette Arnold (Chair): The question is coming from Assembly Member Tracey.

Richard Tracey (AM): Thank you, Chair. I thought Caroline Pidgeon had left the stage.

Dee Doocey (Deputy Chair): It is Jenny, not Caroline.

Jenny Jones (AM): It was me.

Richard Tracey (AM): I beg your pardon. You sound rather similar. I beg your pardon.

Dee Doocey (Deputy Chair): What, you mean they are both women!

Jennette Arnold (Chair): The sisterhood.

Richard Tracey (AM): I have just apologised. Mr Mayor, one of the things you spoke about was the Oyster card being introduced on the main lines. What sort of advantage do you think that has given, particularly to people travelling on mainline trains from the outer London boroughs where they do not have Tube trains?

Boris Johnson (Mayor of London): It is not just the advantage of convenience - we all enjoy that. Also, when they do the Oyster Pay-As-You-Go they are getting the advantage of having the lowest fare going on the network. We have been able to deliver, through our negotiations - which, frankly, the last administration was not able to advance - we have been able to cheaper fare as well for people using the rail network in London. That is one of the reasons, Dick, why we want to go ahead and create a single Metro-style rail network for the whole city. Unlike the previous administration we are making vast progress with Government in getting a role for TfL in some of the train operating company franchises.

Richard Tracey (AM): What sort of profit has TfL made? We keep hearing suggestions that it is, indeed, making a profit. What have you got to say to that?

Boris Johnson (Mayor of London): The term is meaningless. What there is is cash that has to be spent on infrastructure investment. There are no shareholders. There are no profits that are there to be sprayed around. Every pound that TfL has in its budgets has got to be used on the programmes to which that money is committed. I commend to you a good study on the Channel 4 website of how that money must be spent and the non-existence of the so-called surplus or profit or whatever else it is that it is being suggested that there is.

Richard Tracey (AM): In 2007, in I imagine the parallel budget debate, this statement was made. There was a proposal to cut fares made by one of the Members of the Assembly. This was the answer. "That is fine as long as it also has the honesty to go on and say what I should cut while cutting the fare increase". That statement was made by your predecessor. What do you think of that?

Boris Johnson (Mayor of London): I think it is right. If you are going to propose to cut the TfL budget by £1.2 billion by 2015 then you need to give an account to Londoners of what programme, what buses and what entitlements you are going to cut. That is all we need to know.

Richard Tracey (AM): Can you give us any idea of what you think would need to be cut; bus routes or the underground upgrades?

Boris Johnson (Mayor of London): You would have to go for either bus routes in outer London or for upgrades such as the Bank interchange or the Piccadilly line upgrade or the Northern line upgrade. You would have to go for a big ticket item. We would need to know what it was.

Darren Johnson (AM): On this issue of fares we have had a fairly sterile debate over the past few months basically being about a choice between increasing fares or reducing fares and increasing investment or reducing investment. Would you accept that there is another way forward and that we could maintain investment in new public transport infrastructure and reduce fares if we were to look at a more sophisticated form of road pricing which academics have suggested could raise £1 million a

year which could provide investment for new public transport and provide a significant reduction in fares to make life easier for Londoners?

Boris Johnson (Mayor of London): It is the sort of proposal that I know Val [Shawcross] would be interested in. The maths has to add up and if you are going to take £1 billion out you have got to find £1 billion somewhere else. I personally reject it. I think it is the wrong thing for the London economy. I do not think that motorists need another burden of that kind. If you want to go down that route you would be most unwise. I think it is completely wrong for London. Frankly, the people who are proposing to cut £1.2 billion out of funds need to find it somewhere. If you are going to propose, from the Labour/Green side, getting £1 billion from the motorist then be honest; tell us that is the plan.

Darren Johnson (AM): Unfortunately I do not have a role in making policy for the Labour Party yet.

Boris Johnson (Mayor of London): You always support them. You always say exactly the same thing.

Darren Johnson (AM): We do have some clear proposals from the Green side and we are very, very clear that --

Jennette Arnold (Chair): Assembly Member Johnson your time is up.

Darren Johnson (AM): Thank you. There is another way forward.

Valerie Shawcross (AM): Mr Mayor, I also want to talk to you about the TfL budget. Could you tell me approximately what TfL's total expenditure came to last year; the capital and the revenue together roughly?

Boris Johnson (Mayor of London): As you know, TfL's budget is about, from memory, £8.2 billion. You also know that every pound of that expenditure is accounted for in investment in London's transport infrastructure and I really think it is now time for you to have the intellectual honesty to do what Darren has just proposed --

Valerie Shawcross (AM): Can I continue my questions, Chair? I do not have much time. I actually got an answer there which was very nice.

Boris Johnson (Mayor of London): -- and give me a clue as to how you will find £1.2 billion.

Jennette Arnold (Chair): Mr Mayor. We are nearly at the end of this session. Can you just answer the question.

Boris Johnson (Mayor of London): I have answered the question.

John Biggs (AM): In your own way.

Jennette Arnold (Chair): Back to you, Assembly Member Shawcross.

Valerie Shawcross (AM): Thank you very much, Chair. In the accounts it talks about a £5.5 billion operating expenditure and just over £1 billion on capital - it depends if you take Crossrail in or not. It comes to about £6.6 billion in total expenditure. A huge budget, whichever of the variety of figures you take. TfL was quoted in the newspapers as saying that Labour's fare cut would reduce TfL's fare income in a full year by about £215 million. Do you know what percentage that is, Mr Mayor, of TfL's total expenditure? A little bit of toff mental arithmetic.

Boris Johnson (Mayor of London): It is a tiny fraction. I think it might be about 2%. Let me tell you, Val, that if you are going to offer seriously to the people of London to take £215 million a year out of our expenditure then you have to explain how that is cumulative over the CSR period. You would soon get up to £1.2 billion. You would have to explain to people --

Valerie Shawcross (AM): Sorry, Mr Mayor.

Boris Johnson (Mayor of London): -- how you are going to make that money up. I commend to you --

Valerie Shawcross (AM): Boris, please calm down. I am bit worried about your health here. I am trying to have a calm conversation with you about this, Mr Mayor.

Boris Johnson (Mayor of London): -- the Channel 4 FactCheck. Have you looked at the Channel 4 FactCheck website which explains --

Valerie Shawcross (AM): Can I ask you some questions? Mr Mayor, can I ask you some questions about your budget please?

Boris Johnson (Mayor of London): -- exactly why your policy is so wrong and why you are basically trying to deceive Londoners --

Valerie Shawcross (AM): Chair, please can I ask the Mayor some questions about his budget.

Jennette Arnold (Chair): Stop the clock. We will stop the clock. Mr Mayor, are you prepared to give straight answers to questions from Assembly Members?

Boris Johnson (Mayor of London): I have given a very straight and powerful answer to a duplicitous Labour agenda.

Jennette Arnold (Chair): Assembly Member Shawcross, have you got --

Boris Johnson (Mayor of London): A duplicitous and swindling Labour --

Jennette Arnold (Chair): Have you got any more questions for the Mayor?

Valerie Shawcross (AM): I have a lot of questions, Chair. I am having a great deal of difficulty asking you --

Boris Johnson (Mayor of London): They do. By the way the former Mayor fare dodged himself as far as I can remember.

Valerie Shawcross (AM): -- quiet and civilised questions, Mr Mayor.

Boris Johnson (Mayor of London): He did. He fare dodged. They are fare dodgers. That is what they are.

Valerie Shawcross (AM): Mr Mayor, I am not a fare dodger. That is slander and I hope you withdraw that.

Jennette Arnold (Chair): Assembly Member Shawcross can you be quiet. Let's have some silence back into the Chamber because it is pointless. We will stop the clock and then if we can carry on --

Valerie Shawcross (AM): Thank you, Chair.

Jennette Arnold (Chair): -- this last session we will. If not, why don't we just adjourn? This is ridiculous. This is absolutely ridiculous. Can I have a question from Assembly Member Shawcross and, Mr Mayor, could you please respond to the question?

Boris Johnson (Mayor of London): I have responded dutifully to every question I have been asked.

Valerie Shawcross (AM): Thank you, Chair. I am just trying to get a reasonable exchange on some reasonable questions. If you took the lower figure of about 3% the Government is cutting back local councils and the fire brigade and the police budgets by between 25% and 33%, Mr Mayor. So what I do not understand is why you keep telling me that the sky will fall in and a huge number of capital projects, transport services and early debt repayments will grind to a halt if you actually reduce fare income by 3%. Can I ask you quickly do you accept that there has been a 3% increase in journeys in London in the last year because of a very rapidly rising population?

Boris Johnson (Mayor of London): There has been greater income partly because of an increase in inflation but all that - an extra £140 million I think - is more than eaten up by the extra payments that we have had to make as a result of that self-same inflation. After all inflation works on staff salaries and everything else as well.

You are talking about illusory numbers and I really want to get back to this key point; you have got to be straight with London and say what you would cut and you are not doing it.

Valerie Shawcross (AM): We are being very straight with Londoners when we say we will cut the fares, that there are --

Boris Johnson (Mayor of London): You said that last time and then you whacked them up 12.7% and then 12.9%.

Jennette Arnold (Chair): Assembly Member Shawcross, can I have a question about the budget?

Valerie Shawcross (AM): Chair, I am having difficulty getting my questions in because the Mayor is shouting over the top of me. I am trying to ask my questions. What was the total percentage fare increase during your four year term of office?

Boris Johnson (Mayor of London): From memory fares have gone up, roughly in my term, about the same amount they went up under the previous four years. What we had to do in the first period, the first year, was to compensate --

Valerie Shawcross (AM): How much was it? What percentage?

Boris Johnson (Mayor of London): -- for the cynical decision which the previous Mayor took as he came into that election and saw that there was a risk he might lose and he went against the agreed TfL plan and decided to freeze fares. I believe that he, having gained office --

Valerie Shawcross (AM): Mr Mayor, what has been the percentage increase?

Boris Johnson (Mayor of London): -- would have done exactly the same.

Valerie Shawcross (AM): What has been the percentage --

Boris Johnson (Mayor of London): It is roughly about 19% or 20% and it is of the same order --

Valerie Shawcross (AM): It is 26% according --

Boris Johnson (Mayor of London): It is not. It is of the same order as the previous administration.

Valerie Shawcross (AM): Mr Mayor, the fare increases have gone up at twice the rate of your predecessor. According to the House of Commons' library it has been an average of 26% over your period of time - and you do not seem to know that.

Boris Johnson (Mayor of London): No. My information is that they are --

Valerie Shawcross (AM): The one day TravelCard has gone up, zone one to zone four --

Boris Johnson (Mayor of London): -- roughly the same as the previous regime, the previous four years --

Valerie Shawcross (AM): It now costs £161 which is £30 more than in 2008--

Boris Johnson (Mayor of London): The only reason why - can I just finish my point?

Valerie Shawcross (AM): Mr Mayor, can I put another question to you please, Mr Mayor. One of the other things that I do not quite understand is why you increased the salary of your Deputy Chair for Transport for London from £60,000 last year to £115,000 this year. Don't you realise how out of touch it is with the lower paid --

Boris Johnson (Mayor of London): Oh come on.

Valerie Shawcross (AM): -- Londoners in difficult financial circumstances to see your --

Boris Johnson (Mayor of London): What a load of cobblers. You guys stuff the gullets --

Valerie Shawcross (AM): -- political cronies fill their pockets with public cash --

Boris Johnson (Mayor of London): -- of your cronies. Give me a break. Absolute nonsense.

Valerie Shawcross (AM): Do you not accept that that is out of touch?

Boris Johnson (Mayor of London): There is nothing more cynical ...

Valerie Shawcross (AM): On what basis, Mr Mayor, did you make the decision to nearly double his salary in one year?

Boris Johnson (Mayor of London): I think it unbelievable that we are hearing criticism about salaries in TfL or salaries, the cronies and fat cats, from a regime --

Valerie Shawcross (AM): Mr Mayor, I am asking you a straight question about a decision you have taken --

Boris Johnson (Mayor of London): -- that massively expanded pay of public sector fat cats when you were here --

Valerie Shawcross (AM): Mr Mayor, I am just asking you a straightforward question as to why you nearly doubled the salary of one of your political -

Boris Johnson (Mayor of London): What we have done is reduce --

Valerie Shawcross (AM): -- colleagues in one year.

Boris Johnson (Mayor of London): What we have done --

Jennette Arnold (Chair): Assembly Member Shawcross you have a minute left - or your group does.

Valerie Shawcross (AM): Will he answer the question please, Chair?

Boris Johnson (Mayor of London): Yes. What we have done is cut to the proper --

Jennette Arnold (Chair): He is incapable of answering any questions put to him.

Boris Johnson (Mayor of London): -- and the demented waste that took place under your regime --

Jennette Arnold (Chair): Assembly Member Shawcross?

Boris Johnson (Mayor of London): -- and we have reduced the number of managers by 25%. Not only that but top managers in TfL --

Valerie Shawcross (AM): Why did you double the salary of one of your political colleagues to £115,000 --

Boris Johnson (Mayor of London): -- who have foregone their bonuses and we have massively reduced the cost to the TFL bureaucracy which was out of control --

Valerie Shawcross (AM): A simple question.

Boris Johnson (Mayor of London): If you are going to reduce it to one salary of --

Valerie Shawcross (AM): £55,000 would save the Fire Brigade Museum.

Boris Johnson (Mayor of London): The simple answer is that his responsibility has greatly expanded to reflect the extra work that he did. Unlike, in your time, when people did very little work and received huge salaries.

Jennette Arnold (Chair): Assembly Member Shawcross I am sorry - you are out of time.

Boris Johnson (Mayor of London): You are out of ideas too.

Steve O'Connell (AM): Mr Mayor, first of all I would urge you to resist calls from the Green Party to bring back the bendy bus --

Jenny Jones (AM): No, I am saying he is bringing it back.

Jennette Arnold (Chair): Assembly Member Jones, I shall ask you to leave this Chamber if I hear another word from you. I am really now - and that goes for every Member. Unless you are asking a question, if you interrupt again I will ask you to leave the Chamber.

Steve O'Connell (AM): Uncharacteristically, Jenny, you were not right on that one.

I would urge you not to bring back the bendy buses. As someone who spent last night dodging blue bendy buses in Cardiff watching London's premier team do not very well I do not want to see them back on the streets.

I shall be uncharacteristically critical, Mr Mayor, of you. In the capital budget I see nothing around investment in tram extensions. I know buried within the revenue budget there is some work around investigating but it is --

Boris Johnson (Mayor of London): As you know, with the Croydon tram link, on which you have campaigned so well, it is very dear to my heart and that is why we have increased the number of trams and why we are looking at the extension to Crystal Palace which is, I know, what we both want.

Steve O'Connell (AM): It is also a cause of disappointment to my residents in Sutton who would dearly love to see an extension through St Helier to Sutton town centre. Can I urge you, Mr Mayor, when you go into the budgetary process with Government, this is one --

Boris Johnson (Mayor of London): Absolutely. You will appreciate that it is my side of the argument that is going to be able to deliver that, unlike that side of the argument who have a completely moronic programme, if I may say so politely, to cut investment and cut jobs and cut London's competitiveness at exactly the moment when they need all three.

Steve O'Connell (AM): Be assured I will hold you to account on that, Mr Mayor.

James Cleverly (AM): Mr Mayor, at various points during this budget debate, including our discussions about the police budget, we made reference to negotiations with Government including our ability to extend the Northern line and have an additional crossing near the current Blackwall Tunnel river crossings. Obviously a very significant part of the Crossrail infrastructure project was predicated in the confidence that Government had in our ability to manage our own financial affairs. Can you give us an indication of what would be the case to central government confidence in our financial abilities if we were to undermine the ability to repay the Crossrail debt, which I understand stands at around the £6 billion mark, and make the interest repayments, which I understand stand around the £400 million a year mark?

Boris Johnson (Mayor of London): You are absolutely right. People need to understand that we are in a different financial environment from where we were four/five years ago when the Labour Party was able to spend huge sums of money on transport projects that actually delivered very little. The risk is that if you increase TfL's borrowing in an imprudent way you will undermine the creditworthiness of TfL and in the end what happens is you drive the requirement for funding even higher and you risk our ability to keep the fares package as low as possible. I do not commend that approach. I think it is wrong for TfL.

Certainly the Treasury will be looking very hard at the way we manage ourselves and it will be vital for London that we are able to negotiate with central government to get the funding that London needs. If you look at the record over the last four years it is outstanding. We got a settlement on transport for Crossrail and the Tube upgrades that nobody thought we could get and we continue to get support and funding by negotiating practically. If that was to give way to pointless political showboating/grandstanding and useless legal actions it would be a disaster for London.

James Cleverly (AM): Indeed. Mr Mayor, do you think it is suspicious or illuminating that of the political parties represented in this Assembly only one seems to think that there is an untapped font of funding that can be used to dramatically reduce the fares packages - bearing in mind that a number of the political parties around here would not be --

Boris Johnson (Mayor of London): It is not even dramatic. It is a return to something for nothing-ism. It is a return to the idea that you can just magic money from nowhere and in the end nobody has to pay. It would be, ultimately, the London tax payers and fare payers who would pay the price for that policy.

James Cleverly (AM): Do you share my concern that there can only be one of two ways that the fares package can be dramatically reduced as some around this Assembly are advocating? That is either, as we have discussed, to dramatically reduce the investment in infrastructure or revenue expenditure like PCSOs on the buses and that kind of stuff, or - and I know this has not been discussed as yet - a significant increase in your share of the council tax to cross-subsidise what could only be described as a black hole in the TfL finances.

Boris Johnson (Mayor of London): That is exactly right. We saw how the council tax went up 153% under the last regime. It has gone down 12% under this administration in four years. I have no doubt that they will be so desperate for cash if they were to do what was right by London that they would have absolutely no choice either to put up taxes or, as Darren suggests, a Congestion Charge, or to have massive cuts in some programme of investment which they refuse to identify.

James Cleverly (AM): In which case, Mr Mayor - and I know politicians never like tying their own hands for the future - but can I ask for a couple of things from you. Will you give us a commitment that you will not introduce a London-wide Congestion Charge scheme to cross-subsidise fares as the Greens have suggested and you will not increase your part of the council tax, as would be the inevitable result of the Labour Party package, and that you will not lie to Londoners one side of an election about what your fares and spending package will be only to renege on those promises on the other side of an election?

Boris Johnson (Mayor of London): I will certainly not raise a Congestion Charge and I will rule that out. If you look at what we have done on the council tax I hope I will be judged by my actions; we have cut it in real terms by 12%. I want to make it clear, once again, that I really think it is going to be important for the next three months, if we are going to have this debate properly, for someone to identify where the money is coming from. If you are going to spend money, you are going to get back to the old Labour tax and spend, shoving money out there to subsidise fares, tell us where it is coming from. If you are going to spend tax payers' money on fares let's know where it is coming from.

Roger Evans (AM): Mr Mayor, those of us who listen to LBC in the morning sometimes hear a veteran presenter who seems to live in the past suggesting that the Freedom Pass and other concessions may be under threat from your administration.

Boris Johnson (Mayor of London): Well they would be if he got in.

Roger Evans (AM): Will you undertake to us now that you will protect the Freedom Pass and the other concessions, not least because those concessions actually prevent fare increases falling on the hardest pressed and poorest in our society, unlike council tax and Congestion Charge which hit the poorest disproportionately?

Boris Johnson (Mayor of London): Absolutely right, Roger. Yes, I certainly will make that undertaking. Again, I repeat, how are valuable concessions like that to be protected from a programme that involves spending huge amounts of tax payers' money on an illusory fare cut.

Jennette Arnold (Chair): Is there any hope that we will get any questions on the budget in front of us? Let's keep trying. Assembly Member Boff?

Andrew Boff (AM): On a broader note, Mr Mayor, not just transport, it is clear that you and your advisers have compiled a well thought out budget with the clear political direction that the burden on council tax payers should not be increased and I commend you for that. Can I ask you, Mr Mayor, in which of your next four years as Mayor will you give the direction that the precept should be cut?

Jennette Arnold (Chair): Mr Mayor, you are not here to answer questions about your next four years. You are here to answer the questions in front of you. Can I ask you to answer that question in relation to the budget in front of us. If you cannot then I will move to another question from Assembly Member Boff. This is not about his four years or maybe; this is about the budget in front of you.

Andrew Boff (AM): Chair, the budgets feed into the next year's budget and the political direction is from the previous budget so that is the question.

Tony Arbour (AM): Quite right.

Boris Johnson (Mayor of London): The answer is - Chair, Roger normally asks his time hallowed question - a proper Conservative question - the answer is we decide the precept every year and I am not, I am afraid, going to bind my hands. You can judge us by our actions and you can judge the other side by their actions. Whatever they may say now - and it is perfectly obvious from various biographical tracts now silting up book shops - that they have absolutely no shame or compunction about breaking promises. That is not what I will do.

Andrew Boff (AM): Mr Mayor, I am exultant at your reply with a small tinge of disappointment!

Brian Coleman (AM): Mr Mayor, do you recall from the past TfL's bizarre decision to purchase a mansion in Mayfair for its previous Commissioner?

Boris Johnson (Mayor of London): How in touch was that?!

Brian Coleman (AM): I seem to recall the salary was about £1.5 million a year, never mind the off licence bills. Mr Mayor, can you confirm that those days of profligacy of TfL are well and truly over?

Boris Johnson (Mayor of London): They were martian in their out of touchness with the needs and desires of the ordinary London travelling public. The idea that we should have subsidised a colossal mansion for some TfL executive, supported by the lady who now berates me for what we have done, is absolutely incredible. We have cut managers in TfL by 25%, we have hugely reduced the bureaucracy and they are not taking the bonuses to which they have been contractually entitled. You never hear a word of praise from the party opposite for what they are doing.

Brian Coleman (AM): Can I move on to the issue of TfL's investment in the railway service. Mr Mayor, you opened the Henleys Corner scheme in my constituency two weeks ago - a scheme that cost £8 million and was finished on time and on budget and has been well received, not just by residents of that part of Barnet but by motorists in general. I think the technical term is it is a half doughnut and seems to be working extremely well.

Boris Johnson (Mayor of London): I think it is hamburger isn't it?

Brian Coleman (AM): I think it was a half hamburger under the last regime and it became a half doughnut when you delivered it, Mr Mayor. Of course there is an example of a scheme long talked about and long promised but it took your Mayoralty and this generation of Conservative politicians at local and regional level to deliver it. Will you confirm that you have not ruled out TfL exploring other such schemes across London that will improve life for the motorist and improve --

Boris Johnson (Mayor of London): Not just for motorists, Brian, but improve life for pedestrians and for cyclists as well. People who care about cycling and making cycling safer in London have to answer that question too. How would those guys who want to cut so much money from TfL's spending programmes do what we need to do to make London's roads safer? The answer is they have no real policy. They have no plan. They are a one trip pony. I think that is why their policies are completely wrong for London.

Brian Coleman (AM): The money that has been invested in the Local Implementation Plans (LIPs) - although I am a critic of LIPs because I think it is the wrong way of going about it. In the budget that you are presenting today you keep the money for LIPs which is so vital to many boroughs, particularly those of us trying to repair our roads and pavements around stations, for example, and transport hubs. Can you confirm you are going to continue that local investment with the guidance and support of local councils and council officers?

Boris Johnson (Mayor of London): Yes Not only with LIPs of course, Brian, but with the Regeneration Fund and the Outer London Fund which I think has probably proved one of the most successful and popular things that we have done and far exceeded my expectations in terms of its impact. We are helping to improve town centres and village centres in outer London in a way that benefits the local economy and drives jobs and growth. The same point could be made about schemes at Henleys Corner.

Brian Coleman (AM): So next year, Mr Mayor, you are looking at probably a third round of outer London fund investment?

Boris Johnson (Mayor of London): We will certainly look for a third round if we conceivably can but I will point out to you that that is only possible if we continue with a sensible programme of cuts and economies in other wasteful sides of TfL's budget that I do not believe could conceivably be done by a candidate that is funded not by the unions but by union bosses. That is a serious threat to our agenda.

Brian Coleman (AM): You would welcome a commitment from all parties represented in this Chamber to the Outer London Fund which has been widely welcomed in many of our suburban boroughs?

Boris Johnson (Mayor of London): I would. Absolutely. John Biggs says, amusingly, that we should support the hedge fund. We do have a hedge fund and it is thanks to us that we have upgraded parks across London when they were completely neglected by that administration. We have upgraded parks. Not only do we support hedges we planted more trees in this city than the previous administration. We will have planted 50,000 new trees - and 10,000 street trees - by the end of the first Mayoral term.

Jennette Arnold (Chair): That question will not be recognised because, as I said earlier, the Labour Party is out of time.

Boris Johnson (Mayor of London): I am sorry, Chair. I was responding to the --

Jennette Arnold (Chair): There was no question from Mr Biggs. They do not have any time.

Boris Johnson (Mayor of London): Can I humbly suggest to you you might want to keep your Labour Members in order. Viewers should know that you are a Labour Chair and you should keep your Labour Members in order and stop them interjecting.

Jennette Arnold (Chair): Thank you, Mr Mayor. Can I say I have no other names on my list for questions so can I thank you for your attendance.

Boris Johnson (Mayor of London): Thank you very much.

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