

## **Response to the London Assembly Regeneration Committee report into Transport-led Regeneration**

Thank you for the Regeneration Committee's work in this important area and for the useful recommendations. Like the Mayor and Transport for London (TfL), the Committee has rightly identified this area as a key priority and TfL is working proactively on the role it can play in transport-led regeneration.

Set out below is a response to each of the Committee's recommendations contained within its report into Transport-led Regeneration (published in December 2015).

I hope this response demonstrates that the Mayor and TfL are taking transport-led regeneration very seriously and working closely with the GLA and other partners to get it right. Given the pace of London's current growth this is an ever changing area of work. If the Chair and Committee would like to be kept abreast of developments and would like further opportunities to feed into this work, and indeed to discuss any of the responses below, we would be happy to offer further briefings and discussion sessions as requested.

**Recommendation 1: The next Mayor should renew the Growth Fund, with a commitment to extending it to 2026/27. In its 2016/17 Business Plan, TfL should set out the total quantum of funding that it will make available.**

It is clear that the delivery of new housing across London will be a key priority for the next Mayor. TfL will discuss the renewal of the Growth Fund with the next Mayor at the earliest opportunity, focusing on its potential to enable the delivery of more housing across the Capital and build on its current support for the delivery of 55,000 new homes. In the interim, TfL will ensure the full amount of funding available through the existing Growth Fund is set out in the 2016/17 TfL Business Plan up to 2022/23.

**Recommendation 2: Expansion of the Growth Fund should be subject to an open, formalised and transparent bidding process. TfL should establish clear selection criteria so that boroughs can propose schemes for the Fund, prioritising those in Opportunity Areas. TfL should explain the bidding and allocation process that it will use in its draft 2016/17 Budget.**

The GLA and TfL are currently reviewing how regeneration projects in Opportunity Areas across London are prioritised and managed. The aim is to improve the governance arrangements and ensure we focus on the areas that can deliver the most for London as quickly as possible.

Transport schemes currently funded through the Growth Fund were required to meet selection criteria against the following factors:

- The scale of development in the area that the scheme would directly support in terms of both homes and jobs;
- The scheme's deliverability;
- The extent of interest from developers in the area; and

- The exhaustion of all other funding channels, recognising that the project would only proceed if funding is provided from the Growth Fund.

The Growth Fund is currently allocated through to 2022. Any new bidding and allocation process would apply for selecting future schemes unless additional funding was secured or the Fund extended.

**Recommendation 3: TfL should examine opportunities to use engagement models such as the SUBT (Stitching Us Back Together) programme board in east London, with a view to introducing a consistent approach to consultation and communications when proposing new / improved transport programmes in regeneration areas.**

Public engagement on new / improved transport infrastructure projects in regeneration areas is essential. Engagement models like the SUBT programme boards are very useful in certain circumstances. Regeneration and growth schemes come in all shapes and sizes and experience shows that allowing flexibility and a bespoke approach to consultation, rather than a one size fits all approach, is essential to maximise engagement with local communities.

TfL will ensure that public engagement on each of the funded schemes is comprehensive and that we maximise the involvement of the local community to help shape these essential transport infrastructure projects.

**Recommendation 4: The next Mayor should look to produce a detailed proposal for devolution of stamp duty. As a first step the GLA should commission a technical study on how a local stamp duty could work.**

TfL and the GLA have carried out considerable analysis of opportunities for Stamp Duty devolution, on both an individual scheme basis and the impact it could have overall on enabling growth across London. Examples include the A13 Riverside Tunnel, Bakerloo line extension and Hammersmith Flyunder where stamp duty generated from the additional homes developed in the area closest to this new infrastructure could help fund these projects. These findings have been used to make the case for greater devolution to Government where otherwise funding might not be forthcoming. TfL and the GLA would be happy to brief the Committee on this work. If the Committee is minded to champion this case we would also welcome its lobbying support.

The current Mayor continues to press for the devolution of the full suite of property taxes, including stamp duty, with the aim of reforming them to be less regressive, more efficient and provide a fiscal platform against which to borrow more for growth. In that context, a technical study of a local stamp duty tax would need to take account of other property taxes, including of business rates and council tax, and the ability of the London Government to make changes to them together.