



Office of the
Deputy Prime Minister

Creating sustainable communities

*The Greater London Authority:
The Government's proposals
for additional powers and
responsibilities for the Mayor
and Assembly*

A Consultation Paper

November 2005



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Deputy Prime Minister

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Office of the Deputy Prime Minister: London

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Foreword

By the Rt Hon. David Miliband MP and Jim Fitzpatrick MP



David Miliband



Jim Fitzpatrick

When the Labour Government was elected in 1997, we embarked on a programme of democratic renewal. It included creating a new Greater London Authority (GLA), with a Mayor and Assembly to fill the democratic deficit and provide strong leadership for London. Londoners voted in favour of the proposals in 1998, and the first Mayor and Assembly were elected in 2000.

The creation of the GLA has been a real boost for London, and has had a positive impact on Londoners' quality of life. The directly elected Mayor provides a strong voice for the capital, setting a strategic framework for London's future growth and having wide ranging powers to tackle London's unique challenges and implement London-wide solutions. The Assembly does a vital job as a check and balance on the Mayor, challenging and scrutinising his activities.

The GLA has now led London for five and a half years, and we believe that the time is right to consider whether the strategic planning and delivery of services in the capital could be improved by devolving more powers and responsibilities to the Mayor and Assembly. We are committed to the GLA remaining a focused, strategic authority that builds on its successes to date to provide strong, effective leadership.

We want to achieve the right balance of powers between national government, the GLA and the London boroughs, and are committed to devolving responsibilities to the most appropriate level. The key test must be whether doing so would improve the quality of life for Londoners.

This consultation gives Londoners, and anyone with an interest in London, an opportunity to have their say on the proposals. We are keeping an open mind on the extent of any additional powers, but where we have a firm view we say so. We shall carefully consider the views we receive before deciding the additional powers and responsibilities the Greater London Authority will take on. We will announce a final package of proposals in the spring, and will implement them at the earliest opportunity.

A handwritten signature in black ink, appearing to read 'David Miliband'.

David Miliband

*Minister of Communities and
Local Government
Office of the Deputy Prime Minister*

A handwritten signature in black ink, appearing to read 'Jim Fitzpatrick'.

Jim Fitzpatrick

*Minister for London
Office of the Deputy Prime Minister*

Chapter 1

Summary

- 1.01 This consultation paper sets out the Government's options and proposals for granting additional powers and responsibilities to the Greater London Authority (GLA) – the Mayor of London and the London Assembly. We have looked at which powers the GLA, and in particular the Mayor, might assume, and considered whether doing so would improve strategic planning and delivery in London.
- 1.02 Chapter 4 looks at the scope for additional powers for the Mayor. It focuses on four main areas – housing, learning and skills, planning and waste management and waste planning. The options for additional Mayoral powers in each of these areas are:
- 1.03 **Housing.** We set out two options. First, the proposal to transfer to the Mayor the responsibilities of the London Housing Board to write the London Housing Strategy and make recommendations to Ministers on the distribution of regional housing capital allocations. This proposal is in line with existing plans for other English regions. In addition, we would like your views on whether or not the Mayor should be able to decide the allocation of the affordable housing portion of the Regional Housing Pot in London (rather than make recommendations to Ministers).
- 1.04 **Learning and Skills** looks at a variety of options for giving the Mayor a greater say over skills and training strategy in London. They include a stronger regional partnership, capitalising on the role of the London Development Agency and the Regional Skills Partnership; strengthening the regional tier of the Learning and Skills Council (LSC) in London to give the Mayor a greater say through, for example, the GLA becoming a member of the new LSC Regional Board; and the Mayor's preferred option of more radical change – rationalising the five LSCs in London into one regional organisation accountable to him.
- 1.05 **Planning.** The Government has identified three broad options; one that offers significant additional powers; one offering more limited new powers; and one of minimal change. Significant additional powers would mean the Mayor assuming powers to:
- direct the boroughs to amend their Local Development Schemes (LDSs), and to sign-off schemes;
 - direct boroughs' Development Plan Documents (DPDs) to ensure consistency with the London Plan; and
 - make him the development control authority for a defined class of application or in relation to defined strategic sites.

Under the more limited new powers option, the Mayor would:

- direct on LDSs and DPDs in relation to defined strategic issues; and
- have powers to direct refusal or approval for defined categories of strategic application.

Both options are likely to require primary legislation. The minimal change option would involve modifications to current arrangements rather than fundamental changes.

1.06 **Waste Management and Waste Planning** looks at the possible options for changing the structure and responsibilities for waste management in London. They include:

- the Mayor's proposal to establish a single waste authority for London, accountable to him as a functional body of the GLA;
- a single London-wide authority made up of borough representatives and including a representative of the Mayor;
- an extension of the current joint arrangements in some parts of London so that all waste disposal arrangements in the capital are sub-regional; or
- "do nothing", where the waste management structure in London would remain the same.

There are four options for change on waste planning:

- the Mayor being responsible for planning all waste streams in London, with powers to identify specific sites, undertake development control functions and compulsorily purchase land;
- a borough-led single waste authority with the same powers;
- sub-regional joint waste planning authorities with the same powers; or
- the Mayor's existing planning powers are enhanced.

In parallel to this consultation, the Government is commissioning further detailed research to identify costs and benefits of different waste management and waste planning arrangements.

1.07 Chapter 5 seeks views on the Mayor's relationship with his functional bodies. Specific proposals include providing for the Mayor to be the chair of the Metropolitan Police Authority (MPA); reconfiguring the membership of the London Fire and Emergency Planning Authority (LFEPA) to enable the Mayor to appoint three members to represent business, under-represented groups and LFEPA staff, and one to champion London resilience; and empowering the Mayor to give LFEPA directions and guidance, provided these are compatible with the Fire and Rescue National Framework.

1.08 In Chapter 6, we seek views on developing the role of the Assembly in policy development and extending its scrutiny role to London-wide public bodies not directly accountable to the Mayor.

Chapter 2

The Greater London Authority

- 2.01 The Greater London Authority (GLA) is made up of the Mayor of London and the London Assembly. Londoners voted in favour of establishing the Authority in a referendum in 1998 to provide the strategic direction and leadership that had been lacking in the capital since the abolition of the GLC in 1986. The GLA was established by the Greater London Authority Act 1999.
- 2.02 The directly elected Mayor and separately elected Assembly are each elected every four years. The first Mayor and Assembly took office following elections on 4 May 2000. The second GLA elections took place on 10 June 2004.
- 2.03 The GLA is a focused, strategic authority providing vision and a voice for London. It has three principal purposes in relation to Greater London:
- to promote economic development and wealth creation;
 - to promote social development; and
 - to promote the improvement of the environment.

It has a general power to do anything which it considers will further any one or more of these purposes.

The Mayor

- 2.04 The Mayor is the executive arm of the Authority. He has strong executive powers providing strategic leadership, with a range of duties and responsibilities designed to ensure that the programme on which he or she was elected can be delivered.
- 2.05 The Mayor has five key roles, underpinned by specific powers and duties:
- to set the strategic direction for London by devising London-wide strategies and plans;
 - to propose a budget, and submit it to the Assembly for consideration and agreement;
 - to co-ordinate action to implement the strategies, working closely with other organisations in the GLA Group;
 - to act as a voice for London; and
 - to make appointments, to the bodies under his control and a range of other pan-London bodies.

and examines how effectively he is fulfilling his wide-ranging responsibilities for London's strategic services, including transport and economic development. The Assembly can amend the Mayor's budget by a two-thirds majority and appoints most of the staff of the GLA.

- 2.11 The Assembly has legal powers to investigate issues that matter to Londoners, in a similar way to House of Commons Select Committees nationally.
- 2.12 Proposals for modifying the Assembly's responsibilities are described in Chapter 6.

The GLA Group

- 2.13 Four bodies (sometimes known as the "Functional Bodies") form part of the wider GLA group. They are:
- **Transport for London (TfL)** – responsible for transport in London;
 - **London Development Agency (LDA)** – the Regional Development Agency (RDA) for London, responsible for economic development and regeneration;
 - **Metropolitan Police Authority (MPA)** – responsible for overseeing the work of the Metropolitan Police Service; and
 - **the London Fire and Emergency Planning Authority (LFEPA)** – responsible for overseeing London's fire and rescue services.
- 2.14 TfL and the LDA are both directly accountable to the Mayor, who appoints their boards, sets their overall budgets (subject to the Assembly's power to amend by a two-thirds majority) and has the power to direct their activities.
- 2.15 The MPA and LFEPA have a more arms-length relationship to the Mayor, and are constituted in a similar way to police and fire authorities outside the capital. The Mayor sets the overall budgets of both authorities (again subject to the Assembly's power to amend) and appoints around one half of the members of the Board of the MPA and the whole of LFEPA – including members of the Assembly appointed to each.

London's Successes and Challenges

- 2.16 London is a great and successful world city with a highly productive, internationally competitive economy. It is renowned for its innovation, entrepreneurship, style, dynamism and diversity. London acts as the main gateway for international investment. It is one of the world's top financial centres, alongside New York, and is by far the largest in Europe. Its economic dynamism means that Inner London is the richest region of the European Union, with a GDP per head of 260% of the EU average.
- 2.17 Over 300 languages are spoken in London, reflecting the incredible social and cultural diversity that attracts skilled workers from all over the world. The population of London is different from that of the rest of the UK; it is younger, more diverse and more mobile, characteristics that are both a strength and a challenge for the delivery of London's services.

- 2.18 The city's success is important not only to London and Londoners but for the UK as a whole. London acts as a gateway to the rest of the UK and its continued competitiveness is vital to the health of the nation as a whole. But it is also a city of contrasts. Areas of acute deprivation remain, often sitting close to great wealth and opportunity, and with stubbornly high levels of unemployment and worklessness. There is also much to do in environmental terms to ensure London becomes a leading sustainable city.
- 2.19 Since 2000, the Government has worked with the GLA to improve strategic services and make London a better place to live, work and visit. The Mayor and Assembly have achieved a great deal – including the successful introduction of congestion charging, more police on the streets and increasing bus use. They have worked with Londoners to develop strategies to improve London's spatial development, environment and cultural facilities and to promote London for business and tourism.
- 2.20 London's public services face many unique challenges, and improving them lies at the heart of Londoners' needs and concerns for better governance. The Government has provided extra funding for health and education and, working with the Mayor, for improving public transport, dealing with emergencies and fighting crime. We believe that this investment will help ensure London's continued success in the global marketplace and help balance the needs of population and economic growth with a better quality of life for all Londoners.
- 2.21 The Government believes the Mayor and Assembly have a pivotal role to play in ensuring London's continued success, and that it is crucial we have in place the right governance arrangements to meet the capital's strategic challenges over the longer term. Additional powers and responsibilities for the GLA in key strategic services would help meet those challenges and underpin the Mayor's strategic leadership of London.

Structure of the Consultation Paper

- 2.22 In this Consultation Paper we discuss the additional powers and responsibilities that could be devolved to the Mayor and Assembly. In some areas, such as waste management, we have taken a wider look at all the possible options for change. In other areas, where the Government has firm views, we say so. In each chapter are some key questions on which we would particularly welcome views. These are numbered for ease of reference and are summarised at Annex A. It would be helpful, where possible, if respondents could refer to the numbered questions when writing to us.

Chapter 3

The Scope of the Review

Our Manifesto Pledge

- 3.01 In our 2005 manifesto we pledged to review the powers and responsibilities of the Mayor and Assembly.

Meeting the Challenge – The Time for a Review

- 3.02 London is a city-region with unique governance arrangements nationally – a city-wide authority setting the strategic framework for delivery of the capital’s services, and 33 local authorities managing the delivery of those services locally. These arrangements ensure that both London’s regional and local tiers of government are democratically accountable to Londoners for their actions.
- 3.03 The governance of London does of course sit within a wider national context. London boroughs have the same powers as local authorities elsewhere in England, and various central Government agencies operate in the same way in London as in other English regions. Some of London’s challenges, set out in the previous chapter, are similar to those faced elsewhere in England. But London is also unique; it has the only directly elected regional authority in the country with far greater powers and responsibilities than regional bodies elsewhere in England.
- 3.04 The GLA is sufficiently large in scale to make integrated, strategic decisions that affect national economic growth. And the Mayor and Assembly already have strong powers over key drivers of growth, including transport and economic development. The Government is clear that any additional powers assumed by the GLA should support the continued success of the London economy, contribute towards the achievement of sustainable development and improve the quality of life for Londoners.

Terms of Reference

- 3.05 These considerations helped inform the principles of the review, which the Government published as terms of reference on 6 September. They are:

“The Government is reviewing the powers and responsibilities of the Greater London Authority, and in particular the Mayor, who is empowered by the GLA Act to act on behalf of the GLA in many cases.

The review will consider, on a case-by-case basis, whether delivery could be improved by giving more powers and responsibilities to the GLA across the relevant policy areas.

This will be informed by the following principles:

- *the GLA should remain a focused and strategic authority, as originally conceived, rather than becoming a major service delivery agent;*

- *there should be an appropriate balance between national government, the regional tier and local authorities; and*
- *the review is to focus on the role of the GLA rather than on governance structures as a whole or the role of the London boroughs. It should, however, consider the arguments for giving the GLA additional responsibilities for strategic issues which cross borough boundaries.”*

- 3.06 The Review is focused on the case for additional powers and responsibilities for the Mayor. It is not looking at the wider, overall governance structures in London. The GLA will remain a strategic Authority, setting London's broad strategic direction and steering the course for its delivery, with the functional bodies responsible for some of the capital's key strategic services.
- 3.07 The additional powers the Mayor might assume would in most cases be devolved from Government. Local services are, quite rightly, managed by the boroughs and we have no intention of making fundamental changes to these arrangements as part of the Review. But there are some specific functions and services which cross borough boundaries where a case may be made in favour of giving the Mayor a greater say – for example on managing London's waste. The Government believes it sensible to consider and consult with an open mind on the options for the future delivery of these services.
- 3.08 The Review is also considering the case for changing the Assembly's powers as a result of granting additional powers to the Mayor. These are discussed in more detail in Chapter 6.

Building on Success

- 3.09 Since 2000, London has consolidated its position as the largest economy of the UK regions and a key driver of national economic success. Employment in London is now 4.45 million, 15% of the UK total and 700,000 higher than in the early 1990s², and is expected to rise twice as fast as the UK as a whole over the next three years. London's economy is highly competitive, acting as a focus for inward investment to the UK and with a strong export performance. The capital's workforce is also highly skilled – in 2004 nearly 32% of London's workforce had degree or equivalent level qualifications.
- 3.10 The need to accommodate the growth in London's population and workforce over the coming decade presents challenges, particularly given that London house prices remain high by historic standards both relative to other regions and Londoners' incomes. This growth will make it crucial to tackle the underlying structural factors that impede the capital's economy. London's unemployment rate as measured by the Labour Force Survey has risen to 6.7%, above the UK average, and the employment rate has remained on a downward trend over the last year. These problems are typically most acute in the inner London boroughs, reflecting the social and economic deprivation in parts of the capital.

² London's Place in the UK Economy 2005-06, published by the Corporation of London in November 2005. Available at www.cityoflondon.gov.uk/economicresearch

3.11 The Government believes that the creation of the GLA has proved a resounding success, providing a voice for London and making a real and positive difference to the capital and to the quality of life of all Londoners. In its five years in existence, the Authority has helped provide the strategic context for London's success, and has delivered, or helped to deliver, a number of high-profile projects including:

- Introducing the congestion charge in Central London;
- Publishing the London Plan, providing a clear strategic direction for the capital; and
- Playing a leading role in London's successful bid for the 2012 Olympic and Paralympic Games.

3.12 The Audit Commission's Initial Performance Assessments (IPA) of the GLA and each of the four functional bodies³ in 2004 confirmed this success. The assessments aim to enable Londoners and others to better understand the role of the GLA Group in improving the quality of life for local people. The Commission rated the GLA's performance as "good"⁴ (and TfL as "excellent") and noted that:

*"The GLA is a good organisation that has raised Londoners' expectations about regional government. It has put in place a wide range of strategic development activities, with a clear commitment to improving the lives of Londoners. Increased funding for the police and the pedestrianisation of Trafalgar Square are examples of this."*⁵

3.13 The Audit Commission found the GLA is doing well in the following areas;

- It leads by example, with clear and ambitious strategies designed to develop London as a sustainable world city;
- It maintains a strong focus on its priority areas, which reflect the concerns of Londoners and the city's diverse communities; and
- It provides a strong and effective voice for Londoners, promoting a positive identity for the capital.

It also identified areas in which the GLA needed to improve – for example communication and more consistent engagement with stakeholders.

3.14 The GLA has achieved a great deal, but a key question for Londoners is *could it do better with additional powers and responsibilities?* The Government believes the GLA's track record indicates it could take on new powers effectively. We believe the time is right to look at the additional powers and responsibilities that could be assumed by the Mayor and Assembly, and the implications of them doing so. Developing the principles that have helped make the GLA a success, we will consider whether the strategic delivery of public services in the capital, and the lives of Londoners, could be further improved by the Authority taking on more powers and responsibilities.

3 Details of all the IPA results, including the reports, are available at www.audit-commission.gov.uk/gla

4 The Audit Commission rated TfL as "excellent"; the LDA and LFEPA as "good" and the MPA as "fair".

5 Brian Willmor, Audit Commission, London Region Director.

The Broader Picture – Work Complementing the Review

The Future Role of Local Government

- 3.15 Last summer, ODPM started a debate with local government, other stakeholders and across Whitehall as to what the future role of local government should be, under the banner *local:vision*. Through the debate, we would like to build consensus for that coherent role across local, regional and central government and other partners working to govern and deliver in local areas.
- 3.16 We believe that local authorities, working with partners and involving local communities, are best placed to decide and deliver local priorities within a strategic national framework. Local Area Agreements (LAAs) are a key vehicle through which we are improving the co-ordination between central government and local authorities and their partners. Organised through four blocks – Children and Young People, Safer and Stronger Communities, Healthier Communities and Older People and Economic Development and Enterprise – LAAs simplify central government funding streams, help join up public services and provide greater flexibility for local solutions to local problems. All 150 upper-tier authorities in England are eligible to have LAAs in place by 2007.
- 3.17 We will continue to work with other Government Departments, local government, partner organisations and other key sectors to test out and further develop our proposals. We are looking to draw together the *local:vision* debate during the course of next year. We expect this work to be informed by other Government initiatives, including the emerging findings of Sir Michael Lyons's inquiry (see paragraph 3.23) and the outcomes of the GLA Review.

New Initiatives for Cities

- 3.18 We are also working with eight core English cities⁶ and other conurbations to identify how they can build on their renaissance over the last ten years to further improve public services, lever in investment, make the cities attractive places to live and ensure leadership and strategic vision across the public, private and voluntary sectors.
- 3.19 We have held summits in each core city to take forward this agenda by talking to local leaders and citizens, hearing their priorities for the future and establishing what needs to happen to bring about a step change in the urban fabric and social infrastructure of each city. The summits are helping to identify how the cities can enhance their competitiveness, identify options for new freedoms and flexibilities and develop a business case for action at individual city level. This approach would help develop proposals that could be applied more widely to urban areas across England.
- 3.20 London provides an important reference point in taking forward the Cities initiative. London is in many ways unique in terms of English cities, but the powers and responsibilities of the GLA and the wider governance structures of the capital nevertheless provide a guide to help inform what works well and what could be improved on. The Government will ensure a continuing close read-across between the areas of work.

⁶ The cities are Newcastle, Birmingham, Leeds, Bristol, Manchester, Sheffield, Nottingham and Liverpool.

- 3.21 The Government has also established a Ministerial Committee on London (MISC26) to oversee delivery of improved public services in London. Again, there is a strong read-across between the work of the Committee and the GLA Review, and we will ensure that the Committee's thinking feeds into the Review as it develops.
- 3.22 There are two other important strands of work going on in parallel to the GLA Review, but not a formal part of it – Sir Michael Lyons's inquiry into local government and the legislative framework to deliver London's obligations in relation to the 2012 Olympic Games. These are discussed in brief below.

Inquiry into Local Government

- 3.23 Sir Michael Lyons is carrying out an independent inquiry into the current and emerging strategic role of local government and how the Government's agenda for devolution and decentralisation, together with changes in decision making and funding, could improve local services, their responsiveness to users, and efficiency. In the light of this work, Sir Michael will address critical funding issues including those of fairness, accountability, clarity, efficiency and effective management, making recommendations on how council tax might best be reformed to make it fairer and more sustainable.
- 3.24 He will produce a final report at the end of 2006. The Government will take forward any proposed changes to the GLA's funding system in the light of Sir Michael's recommendations, and it does not form part of this review.

The London 2012 Olympic and Paralympic Games

- 3.25 On 6 July 2005 the International Olympic Committee (IOC) announced that it had selected London to host the 2012 Olympic and Paralympic Games. On being awarded the Games, the Mayor of London (on behalf of the city), and the British Olympic Association (BOA), were required to sign a "Host City Contract" with the IOC. The contract sets out the obligations of the parties in terms of delivering the Games, including fulfilling commitments made in the bidding process and meeting the IOC's technical requirements.
- 3.26 Shortly after the IOC's decision, the Government introduced to Parliament a London Olympics Bill to provide the legislative framework needed to enable the UK to fulfil the requirements which the IOC places on host cities. The Bill includes provision to enable the GLA to play its part in delivering the 2012 Games, and proposes granting the Authority the power to do anything for the purpose of complying with the obligations placed on the Mayor in the Host City contract (whether before, during or after the Games), or to prepare for and manage the London Olympics.
- 3.27 In particular, the GLA would have the power to:
- arrange for the construction, improvement or adaptation of premises or facilities;
 - arrange for the provision of services;
 - undertake works;
 - acquire land or other property;

- enter into agreements;
- act jointly or co-operate with any other person;
- give financial and other support to others for activity connected with the London Olympics; and
- take action in respect of places outside London (in respect of delivering the Games)

The GLA may delegate its function to the LDA. Once the Olympics are over, the Secretary of State may, having consulted the Mayor, make an order repealing the Mayor's powers.

- 3.28 Subject to Parliament, the Government believes that these powers will both ensure that the Mayor is able to contribute fully to a successful 2012 Olympics Games and complement effectively the proposals set out in the next chapter.

Reform of Electoral Administration

- 3.29 The Government has introduced to Parliament an Electoral Administration Bill which aims to make elections and registration more accessible for voters, while enhancing the security of our electoral system and improving administration. In parallel, the Government is also progressing with a package of secondary legislation that echoes the principal aims of the Bill and forms part of the phased and interdependent programme of Government reform on elections. It is intended that the proposed changes will apply to future GLA elections.

Funding Additional Responsibilities

- 3.30 Any changes in function affecting the GLA would need to be accompanied by a transfer of resources. The Government will determine the detailed terms of any transfer at the same time as deciding the final package of proposals following consultation, working closely with current service providers to identify the appropriate costs of each function.

The Consultation Exercise

- 3.31 In reviewing the case for the GLA assuming additional powers and responsibilities we are committed to listening carefully to the views and ideas of Londoners. We want to strike the right balance of powers between national, regional and local government, and to ensure the most appropriate balance of powers within the Authority itself – between the Mayor and Assembly. The key test is to give the Mayor and Assembly the right suite of powers to be able to continue to improve the lives of Londoners – the litmus test of success must be the quality of life in the capital.
- 3.32 That is why the Government is publishing this consultation paper, to launch a debate about the roles of the Mayor and Assembly in governing the capital. We want the debate to involve as many people and organisations as it can, and we therefore invite Londoners, and anyone interested in the future governance of London, to participate fully in the consultation exercise.

- 3.33 In this consultation paper we ask a number of specific questions; you are welcome to respond on them all, on some and not others or to write about other issues that have not been covered. Responses to this consultation paper should be received no later than 22 February 2006, and should be sent to:

The GLA Review
The Office of the Deputy Prime Minister
10th Floor, Riverwalk House
157-161 Millbank
London SW1P 4RR

or email your contribution to:

gla.review@odpm.gsi.gov.uk

- 3.34 Alternatively, you can read this consultation paper online at the ODPM website, **www.odpm.gov.uk/gla/review**. The website also lists those organisations who have received copies of this document. Hard copies are available from:
 ODPM Publications, PO Box 236, Wetherby, West Yorkshire, LS23 7NB.
 Tel: 08701 226 236 Fax: 08701 226 237 Email: odpm@twoten.press.net

Disclosure

- 3.35 A summary of responses to this consultation will be published by 22 May 2006 on the ODPM website. Paper copies will be available on request.
- 3.36 Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).
- 3.37 If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.
- 3.38 The Department will process your personal data in accordance with the DPA. Your response will be held on an ODPM database, and will include your name, address and other contact details if you have supplied them. This is done to enable us to analyse and total up responses. Nothing will be made public which would link individual respondents to any of the findings set out in the summary of responses. The data may be shared with other government departments with an interest in the GLA Review and Ministers may wish to deposit responses in the libraries of the Houses of Parliament. We shall hold data on our database for two years, and will then delete it. You may ask us to stop holding your personal data after a reasonable period has elapsed by writing to us at the above address.

Implementation

- 3.39 We will announce a final package of proposals in spring 2006, having considered carefully all the views received as a result of this consultation. We hope to be able to implement some parts of the package quickly and easily, and will do so following the London borough elections next May. Other proposals may need primary legislation and, if so, we will put in hand at the earliest opportunity.

CHAPTER 4

Functions of the Authority

- 4.01 The Government is considering on a case-by-case basis whether the delivery of strategic services in London could be improved by giving more powers to the GLA across a range of policy areas. Our work to date has focussed on the four key areas of housing, learning and skills, planning and waste management. We have also looked at culture and sport, public health, energy, water and sustainable development, and have listened to the views of a wide range of London stakeholders in setting out the questions below. Where the Government is putting forward firm proposals, we say so. But in many areas we are exploring options and asking open questions in order to stimulate debate and encourage comment.
- 4.02 The Mayor has submitted detailed proposals to Government on the additional powers and responsibilities he would like to assume, and we welcome his contribution to the Review. These proposals are available on the GLA's website at <http://www.london.gov.uk/mayor/powers>

4.1 Housing

Current Arrangements

- 4.1.1 In each English region, Regional Housing Boards⁷ have responsibility for the production of Regional Housing Strategies and for making recommendations to Ministers on how funds should be allocated to meet the strategic priorities identified in the strategies. Ministers have committed to transfer these responsibilities to the Regional Assemblies as part of their response to the Barker Review of housing supply. In London, this would mean transferring the responsibilities to the Mayor. It is envisaged that these new arrangements will be fully operational across the country by September 2006, and earlier where this can be achieved.

Issues and Challenges for London

- 4.1.2 London needs more housing. London's population is projected to rise from 7.3m in 2001 to 8.1m in 2016, generating an overall increase in households of 336,000 (or 22,400 every year) over that 15 year period. This pressure on housing in London is one of the underlying causes for the low housing affordability problems that characterises the London housing market. This phenomenon hits those on lower and middle incomes particularly hard. Most recent figures show that, in spite of the recent slow down in the housing market, those on the lowest incomes would still have to pay over 8 times their earnings for even the least expensive home⁸.

⁷ The London Housing Board comprises the Government Office for London (Chair), the Greater London Authority, Association of London Government, English Partnerships, the Housing Corporation and the London Development Agency. The Board has no political representatives.

⁸ Figures for 2005 Q2 gave the ratio of lower quartile house prices to lower quartile earnings in London as 8.22.

- 4.1.3 The shortage and low affordability of housing in London contributes to the very high levels of homelessness and numbers of households in temporary accommodation to be found in London. London accounts for nearly a quarter of all homelessness cases and nearly two-thirds of all households living in temporary accommodation across England. In response, London receives over 40% of the funding available across England for new affordable housing (some £842m for each of the years 2006-07 and 2007-08).
- 4.1.4 At the same time, the Government has acknowledged the need to secure a step change in housing supply in order to tackle affordability in the owner occupier sector and will be setting out its approach in December. Work is underway to increase housing supply in London and significant progress has already been made. London is benefiting directly from funding for two **Growth Areas** – the Thames Gateway and the London end of the London-Stansted-Cambridge-Peterborough Growth Area. Projects to develop new housing in 8 London Boroughs were included in an announcement in August 2005 by Ministers of over 70 new projects that have been earmarked for Growth Area funding across the wider South East. The Government has also been working to overcome barriers to securing existing plans for growth in 7 **Action Planning Boroughs** where actual levels of growth have fallen behind what is planned, and to realise potential for increased growth in four **Opportunity Boroughs** where potential for additional growth, over and above plans, has been identified.
- 4.1.5 The impact of these initiatives can be seen in London's strong performance against targets for new housing. 22,000 new homes were built in London in the 12 months to June 2005, above the planned rate of 19,000, albeit showing a slowing trend (the corresponding figure for the previous quarter was 24,000). There is the potential for more – the Mayor has proposed that London's existing target is increased to 31,090 homes a year with effect from April 2007 to reflect the findings of his 2005 Housing Capacity Study.

Options for Change

- 4.1.6 The Government has identified two options⁹:

- Option A: Transfer the responsibilities of the London Housing Board, currently chaired by the Government Office for London (GOL), to the Mayor. This would mean the Mayor assuming responsibility for writing the London Housing Strategy and making recommendations to Government for the distribution of the Regional Housing Capital Allocations (or "Regional Housing Pot").
- Option B: In addition to the responsibilities transferred under Option A, the Mayor would make decisions on the Regional Housing Pot – with the exception of decent homes funding. This would give the Mayor the responsibility to set the direction for the Housing Corporation's investment programme in London¹⁰, and could be combined with appropriate reserve powers for the Secretary of State.

⁹ The Mayor's proposals can be found at: <http://www.london.gov.uk/mayor/powers/docs/housing.rtf>

¹⁰ This would include decisions about the spatial and product split of the funding for new build affordable housing managed by the Housing Corporation.

4.1.7 Each option has advantages and disadvantages:

Option A is consistent with Ministers' current plans to transfer the functions of the Regional Housing Boards in all regions to the regional tier. It would mean closer co-ordination between London's Regional Housing Strategy and Regional Spatial Strategy (the "London Plan") and other strategies for which the Mayor already has responsibility, notably those for London's economic development and transport. It also has the advantage of being consistent with proposed arrangements for other regions. This is particularly relevant for bordering regions of the South East and East of England, whose housing markets are closely linked with London's.

Clear roles would be retained for core regional stakeholders and continuing full consultation with other regional, sub-regional and local stakeholders would be ensured.

Option B has three main advantages in comparison with Option A:

- i. It would reflect the Government's commitment to greater devolution to the Regions.
- ii. It would be consistent with (but not identical to) earlier proposals to pass decision making powers covering the whole Regional Housing Pot to Elected Regional Assemblies; and
- iii. Subject to the response to other proposals in this paper, particularly in relation to the Mayor's planning powers, it would fit well with an enhanced role for the Mayor in terms of planning by providing a key lever to secure delivery.

Option B also has some disadvantages:

- i. It might create difficulties in the event of a poor fit between central Government's and Mayor's objectives. The significance of London to the national context (both in terms of the funding it receives and the challenges it faces) could make key objectives (for instance, to tackle homelessness and key workers) impossible to deliver in such circumstances. On a smaller scale, it might also lead to a reduction in the ability to respond flexibly to new challenges.
- ii. It could lead to a more adversarial relationship between the Mayor and individual London boroughs if those boroughs did not support the Mayor's approach, with the risk of judicial review (leading to poorer rather than improved delivery).

4.1.8 These disadvantages are not insuperable, but they, and the advantages listed above raise issues, notably around the legal implications of what is proposed, and how to recognise and respond to the cross-regional matters, for example mobility out of London, which might need careful consideration if Option B were to be adopted.

4.1.9 A further issue on which we would welcome views is whether or not the Regional Housing Strategy for London should be statutory if Option B were to be implemented. Part of the strategy will be underpinned by and reflected in resource allocations and it is arguable that statutory status would add nothing to these arrangements. However, significant elements of the strategy (for instance, better use of existing stock, choice and mobility, tenant empowerment) are not linked to funding decisions in this way. Giving the strategy statutory status would be one way to ensure that these issues were

properly reflected in London borough housing strategies, but it would have disadvantages in the form of an extended statutory process and reduced local flexibility.

- 4.1.10 Housing powers have a significant and direct impact on homelessness and the needs of vulnerable groups who require help to live independently. We are working with key stakeholders in London, including London boroughs, housing associations, voluntary sector agencies, the GLA and the ALG to ensure that work on homelessness and Supporting People is co-ordinated and delivered effectively across the capital. This paper does not examine specific options for the development of a more strategic role for the Mayor on homelessness or the Supporting People programme. But we would expect this role to evolve in line with any changes to the Mayor's housing powers.

Potential Costs and Benefits

- 4.1.11 Both options should be broadly cost neutral in public expenditure terms, although they will involve some transfer of funds and/or resources from GOL to the GLA.

Questions

Q 1: Should the Mayor be able to decide the allocation of the affordable housing portion of the Regional Housing Pot? If so, what would be the benefits?

Q 2: Would there be benefits in the London Housing Strategy becoming a statutory strategy, and does having a statutory strategy raise any difficulties?

Q 3: Should further options be explored? If so, what should these be?

4.2 Learning and Skills

Current arrangements

- 4.2.1 Under current legislation, the Learning and Skills Council, established under the Learning and Skills Act 2000, is responsible for planning and funding of post-16 education and skills across England. Specifically the LSC is responsible for identifying national, regional and local learning and skill needs, and setting and implementing strategies and plans for meeting those needs.
- 4.2.2 The LSC has a national, local and – more recently – regional structure intended to balance the need to secure priorities at all these three levels. Its purpose and responsibility is to deliver national targets and programmes consistently and equitably across the country, and respond to regional economic development priorities – while also being linked closely to local delivery. The organisation operates through a network of 47 local Learning and Skills Councils, whose non-executive Boards have a preponderance of employers, and employer Chairs. In London there are currently five (North, South, East, West, and Central) which together cover the same geographical area as the GLA. There is a network of LSC Regional Directors, leading in each of the Regions, enabling effective links with other key regional partners such as the RDAs.

- 4.2.3 Since 2001, investment in FE in London under the LSC has risen by 46%. Allocations for FE in London totalled £583 million in 2001/2 and £851 million in 2005/6. The LSC funds a wide range of providers of education and training, including 253 School Sixth Forms, 35 General FE Colleges and 12 Sixth Form Colleges. They also fund 33 Local Authorities to provide Adult and Community learning services.
- 4.2.4 In terms of impact for learners, the LSC London region exceeded the target for the number of people undertaking an apprenticeship in 2003/04 by 5%. In 2004/05, the latest figures indicate that London is on track to exceed the target for apprenticeships by at least 6%, with 6,296 young people undertaking apprenticeships. The London region also exceeded the target for the number of people achieving Skills for Life literacy and numeracy qualifications by 25% – the strongest performance of all regions. Success rates in FE have risen to 68% in London during 2003/04, an improvement of 7%, compared with 6% nationally.
- 4.2.5 The establishment of Regional Skills Partnerships (RSPs) in London and the other English regions was first announced in the Skills Strategy White Paper in 2003. RSPs bring together in a voluntary partnership the key organisations in each region engaged in integrating regional activity on training, jobs, innovation and business support to deliver a better skilled workforce to support the achievement of the regional economic strategy. Building on the work of the London Skills Commission which preceded RSPs, led by the LDA and jointly chaired by the LDA and the LSC, the London RSP became fully operational in April 2005 and is delivered by the London Skills Commission. The partnership brings together the LDA, LSC, Jobcentre Plus, Small Business Service, the Skills for Business network and other local key partners, including the employer representative organisations of the CBI, London Chamber of Commerce and London First. Its remit is to develop much stronger integration between skills, training, business support and labour market services, all in support of the regional Economic Development Strategy for London. The second Skills White Paper of March 2005 recognized and strengthened the key role of the RSPs and gave them important new roles and responsibilities.

Issues and Challenges for London

The Labour Market Challenge

- 4.2.6 It is widely recognised that London faces major labour market challenges. Both unemployment, and wider worklessness, are high in London. At the same time, there are significant skill shortages now, and forecasts suggest that the demand for high skilled people (Level 4 or higher) is growing faster than supply. London needs to be able to respond to the skills demands generated by major investment projects, such as the Thames Gateway and the Olympics.

Evidence for the need for change

- 4.2.7 How well will the current arrangements cope with labour market challenges on this scale? There have been undoubted successes over the past few years; the highest rates for participation in education and training for 16 and 17 year olds in England; a 3% increase year on year in success rates; and the designation of 50 Centres of Vocational Excellence and 8 Beacon Colleges. There has been a significant increase in investment.

- 4.2.8 The Mayor's view is that despite the acknowledged increase in investment, there has not been enough improvement in performance, and he suggests that this is because of the constraining nature of national programmes, a disparity between national priorities and regional needs and a lack of effective coordination across the various agencies.
- 4.2.9 The LSC and other partners stress the importance of confronting these challenges by building on existing partnerships through stronger working relationships and collaboration. Effective engagement with the employer community is paramount in these arrangements. Any proposal that strengthens collaboration on the basis of constructive partnership is likely to meet with wide support, provided it does not weaken existing arrangements in other ways.

Balancing national, regional and local needs and planning

- 4.2.10 Labour markets and travel to work areas are no respecters of borough boundaries, and the original decision to create 5 Local LSCs within London aimed to strike a balance to achieve coherent planning and economies of scale. Recent moves by the LSC have increasingly recognised the need both to strengthen that local capacity but also to develop a stronger capability to operate at the regional level as well. At national level, too, the LSC has a major responsibility for the delivery of the Government's PSA targets for 14 to 19 educational achievement, and for tackling skills needs among adults and meeting the needs of employers. Whatever changes might be considered for the future, the need to strike the right balance between all three levels will remain.

What 'Learning and Skills' covers

- 4.2.11 LSCs' responsibilities cover the whole of post 16 education, as well as a strong interest in the whole of the 14 to 19 phase. So in considering the allocation of powers in relation to skills and training, we must also look at 14-19 priorities, planning and delivery mechanisms. Changing the pattern of responsibility for either group raises important issues, but change in respect of 14-19 provision involves particular complexities. The LSC has a significant role in funding both revenue and capital expenditure for sixth form provision in schools as well as in FE Colleges, and has also been the vehicle for a range of government initiatives aimed at enhancing opportunities for 14-16 year olds. Looking at this issue nationally, the recent Schools White Paper points towards a greater clarification of roles as between local authorities and the LSC in relation to the 14 to 19 phase, but without fundamentally changing the balance or pattern of responsibilities. Any change in arrangements within London for post 16 learning and skills would need to be consistent with the arrangements agreed for the 14 to 19 phase, and the continuing responsibility of Local Authorities for their schools, and the responsibility of schools themselves for their performance.

Options for Learning and Skills in London

- 4.2.12 The crucial importance of learning and skills for regional economic development, for social inclusion, and for personal development, is widely recognized. Given the importance of this issue, the Government's view is that any consideration of the future of the post 16 learning and skills sector in London must take account of the following factors. The future arrangements must:
- a) be consistent with the arrangements proposed nationally for reform of the 14 to 19 phase, as set out in the recent White Paper "Higher Standards, Better Schools for All";

- b) continue to drive up standards of quality and attainment across the learning and skills sector;
- c) ensure a strong employer voice and influence in the learning and skills sector;
- d) avoid unnecessary destabilising of learning and skills provision;
- e) build effective partnerships for securing improvement, reflecting the importance of joint working in ensuring an appropriate balance between national, regional and local priorities;
- f) strike an appropriate balance between the Government's strategies in learning and skills – in particular for the 14 to 19 phase, and the Skills Strategy – and the national PSA targets that underpin them, and the ability to respond to regional priorities;

4.2.13 Against this backdrop, the following are some options (not mutually exclusive) for the continued development of the learning and skills sector in London. We would be interested in views on which of these approaches – or combination of them – would best deliver continued improvement in meeting the learning and skills needs of employers and individuals in London.

4.2.14 Option 1: A stronger regional partnership – capitalising on the role of LDA and the Regional Skills Partnership

4.2.15 RSPs offer a real opportunity to create a more coherent and demand-led way of planning the integrated delivery of skills, training, employment and business support. The recent Skills White Paper strengthened the key role of the RSPs and gave them important new roles and responsibilities.

4.2.16 The RSP in London was one of the last to be fully established in April 2005. The Government believes that is a lot of scope for the London RSP partners to exploit more effectively the partnership's potential for linking demand and supply in meeting London's skills needs. Having recently been implemented, the partnership should be given the opportunity to achieve its potential. The RSP partners, encouraged and supported by central and local Government, have the opportunity to come together to look at ways of making RSPs work to full effect, reviewing the alignment of targets and working up shared priorities where appropriate. The RSP in London has set up a Funders Group led by the LSC which has already started to secure commitment to align public and private sector funding to deliver the agreed regional priorities. This offers a productive way forward to foster regional economic development in support of the Regional Economic Development Strategy for London.

4.2.17 Option 2: Strengthening of the regional tier – changes in LSC

4.2.18 For the future, proposed reforms to the LSC under the 'Agenda for Change' programme will further strengthen the regional tier of LSC and its capacity to respond to regional partners and needs. The planned approach has not yet been determined in detail: decisions on re-structuring are occurring in parallel to this London debate. But the creation of new regional LSC boards, as formal committees of the LSC National Council, and with delegated authority from the Council to approve LSC plans for London, will further strengthen the regional capacity for the LSC to work closely with

regional partners. There will be a much stronger pan-London focus driven by the Regional Director and the new Regional Director for Regeneration.

4.2.19 This option would include a stronger role for the GLA in relation to the LSC's London regional board. The LDA and/or GLA would become members of each LSC in London, including the new LSC Regional Board. Legislation would **not** be required to implement this proposal. Also, the GLA could be consulted on the appointment of the chair of the LSC London Board.

4.2.20 **Option 3: An enhanced leadership and skills focusing role for the Mayor**

4.2.21 To enhance one or more of the above options, the following could also be considered:

- There could be a role for the Mayor to lead and champion adult learning in London, ensuring London's needs are voiced.
- The LSC London region could be expected to consult the Mayor on proposals for post-19 training and skills, ensuring that the Mayor's priorities are reflected in the allocation of LSC funds. The Regional Director would play a key role in advising the Mayor on skills and training needs.

4.2.22 **Option 4: Major structural change – devolving current LSC powers to the Mayor**

4.2.23 The Mayor has proposed significant structural change. He favours rationalising the 5 Learning and Skills Councils in London into one regional organisation accountable to him, on a similar basis to the arrangements for the LDA.

4.2.24 All budgets related to learning, skills and addressing worklessness would be managed under a consistent London-focussed 'brand', with a greater degree of regional flexibility and targets that are agreed regionally but contribute to delivering the national framework. The Regional Skills Partnership would be tasked with creating what the Mayor sees as a more co-ordinated and unified approach under these new arrangements. The Mayor has made clear that he does not want to take over the LSC's responsibility for the funding and planning of 6th form provision.

Conclusion

4.2.25 In reaching conclusions on the best way forward for learning and skills in London we will look at the extent to which the various options – those described here, or others – are likely to deliver against the key factors set out in paragraph 4.2.12. In particular, we are not considering any change in our arrangements for 16-19, where the recent White Paper *Higher Standards, Better Schools for All* set out our plans for managing the 14-19 phase. It must be stressed that in determining the way forward, the Government will take the view that the more radical the change suggested, the greater the burden of proof that will be needed to show it is worth the upheaval. For example, there are major difficulties in terms of policy and organisational delivery surrounding option 4 and so the burden of proof required to convince us to implement this option would be very high.

Questions

- Q 4:** *Do you consider that there is a case for change to current arrangements for learning and skills in London?*
- Q 5:** *Do you agree that the Mayor should have a greater say over learning and skills in London? If you do, which option (or series of options) do you favour?*
- Q 6:** *What greater flexibilities are possible within the current organisational context? How can the GLA make best use of current mechanisms for strategic influence?*
- Q 7:** *What would the benefits of change be to learners and/or employers? Do those benefits outweigh any risks of destabilising learning and skills provision?*

4.3 Planning

Current Arrangements

- 4.3.1 The planning system in England operates at three levels: national, regional and local. The Government sets out national policies that must be taken into account by the Mayor and boroughs in producing their development plans. In London the Mayor has been responsible for strategic planning since 2000, and published the London Plan in 2004. The boroughs are responsible for preparing local plans (in their Local Development Frameworks). Local plans must be in general conformity with the London Plan.
- 4.3.2 The boroughs are also responsible for determining applications for planning permission. In 2004/05 there were 86,804 such applications. The Secretary of State (currently this is the Deputy Prime Minister) has powers to call in and decide planning applications raising significant issues. Appeals against the refusal of planning permission are also made to the Secretary of State, with most decisions delegated to the Planning Inspectorate. The Mayor is consulted by the boroughs on applications for planning permission that may raise issues of strategic importance (291 in 2004/05). The Mayor has a power to direct refusal of such applications (4 in 2004/05), following which the applicant has a right of appeal to the Secretary of State. The Secretary of State also has powers to intervene and, if necessary, call-in for his own determination an application subject to a direction from the Mayor.

Issues and Challenges for London

- 4.3.3 London faces many challenges in the next 15 – 20 years including an expected growth in population of 800,000 and some 636,000 more jobs by 2016¹¹. London will need to plan for the homes, workplaces, shops, services and infrastructure required. This growth will take place in the context of a need to embrace technological change, adapt to climate change and ensure social justice. The 2012 Olympics will change the face of the east end of London. London needs a planning system that is fit for purpose.

¹¹ London Plan, Mayor of London, February 2004.

- 4.3.4 The Government believes that the creation of the Mayor and GLA has given a sharper focus to strategic planning in the capital and that it is time to review the operation and scope of the Mayor's planning powers. However, the Government is clear that any extension to those powers must be based on clear evidence that change will lead to an overall improvement in the delivery of planning in London and an enhancement of the quality of life for Londoners.

Options for Change

- 4.3.5 We set out below some options for change. The Government recognises that some of the changes being consulted upon would impact on the powers and responsibilities of local government as well as central government and is keen to have the views of London boroughs, other stakeholders and members of the public. We particularly wish to hear stakeholders' views on whether the options for change set out below would assist in the efficient and effective delivery of planning *at all levels* across the capital. The Government also wishes to hear other suggestions, beyond those set out in this paper, on how the efficiency of the strategic planning process in London can be improved.

The Mayor's Proposals

- 4.3.6 The Mayor has set out proposals for change that cover a range of planning functions currently the responsibility of central and local government. In brief, the Mayor is seeking to:

- have a wider range of applications referred to him as strategic planning applications¹²;
- have a power to require boroughs to grant planning permission for strategic planning applications;
- have a power of direction on existing Unitary Development Plans, Local Development Schemes and on Development Plan Documents;
- have wider strategic waste planning responsibilities. There are two options here:
 - (i) either to allocate all sites across the capital together with deciding all applications; or
 - (ii) to have waste site allocation responsibilities alone;
- be a statutory signatory to Section 106 Agreements on strategic applications;
- encourage a rethink of Government's role in the planning of London (but the Mayor does not propose that Ministers' current powers of call-in and direction should be removed);
- be a statutory consultee for cases outside London where there are implications for the capital.

¹² "Strategic Planning Applications" refer to 'applications of strategic importance' as defined in the schedule to SI 2000 No. 1493 The Town and Country Planning (Mayor of London) Order 2000.

The Mayor's planning proposals can be read in full at:

<http://www.london.gov.uk/mayor/powers/docs/planning.rtf>

Each of these proposals, and other options for change, are considered below in relation to the functions of **plan preparation** and **development control**. Issues connected with **waste planning** are covered in section 4.4.

4.3.7 The Government would wish to test specific proposals for the scope of powers against the following criteria:

- would the change lead to a demonstrable improvement in the performance and delivery of regional and local planning activity in London?
- can this be achieved whilst preserving the delivery of national policy on important matters?
- would there be adequate democratic accountability in decision making?
- what would be the impact on adjoining regions from any particular change, individually or cumulatively?

Plan preparation

4.3.8 Under current arrangements for planning at the local level each borough prepares a Local Development Scheme (LDS) which is a programme plan for preparing their Local Development Framework (LDF). The LDS is approved by the Secretary of State. The LDF (made up of Development Plan Documents – DPDs, and Supplementary Planning Documents – SPDs) must be in general conformity with the London Plan. The Mayor can object to the content of a DPD if he thinks it is not in general conformity, and the matter is then considered by the Inspector at the Examination in Public of the document. The Secretary of State has powers to direct changes to development plan documents. It is anticipated that such directions will be rarely made. Where they are made they will override the report of the Inspector.

4.3.9 The Mayor proposes that he should have the same powers as the Secretary of State to direct changes to the LDS and to the content of DPDs (and to any UDPs being finalised under the old system). The Mayor argues that these powers are necessary to ensure that the plans produced by the boroughs more closely reflect the strategic policies set out in the London Plan.

4.3.10 The implication of these proposals is that the Mayor will take responsibility for ensuring general conformity with strategic policy in London. Issues for consideration include:

- whether the Mayor's existing powers in relation to "general conformity", and to object to plans, provide a sufficiently strong mechanism to ensure that borough plans reflect strategic policies and priorities;
- if the powers are increased, how to ensure accountability and transparency in the GLA;

- whether it would be necessary for the Secretary of State to retain his powers in respect of issues of national importance and how to prevent confusion and conflict in the use of powers by the Secretary of State and the Mayor.

4.3.11 The Government has identified the following options in relation to plan preparation:

- (a) **significant additional powers** for the Mayor to direct the boroughs to amend their Local Development Schemes and to sign off schemes (instead of the Secretary of State) and a power of direction over Development Plan Documents on any matters, including overriding binding Inspector's recommendations, for the purpose of ensuring consistency with the London Plan (with Secretary of State powers of direction on DPDs limited to matters of overriding national policy);
- (b) **more limited new powers** to direct on LDSs and DPDs in relation to a defined set of strategic issues;
- (c) **updated existing arrangements** (see paragraph 4.3.19).

Development Control

4.3.12 The Mayor currently has a power to direct refusal of strategic planning applications if he is concerned that to grant permission would undermine policies in the London Plan. However, the Secretary of State has the power to direct the local authority not to implement the Mayor's direction whilst he considers whether to call the application in.

4.3.13 The Mayor proposes that for defined categories of strategic planning applications he would also be able to direct a borough to grant planning permission where it was intending to refuse. However, the Mayor has said that he does not wish to become a planning authority in his own right. If this was introduced it might need to be subject to the same powers for the Secretary of State to intervene as a direction to refuse (see paragraph 4.3.2).

4.3.14 The Mayor (or one of his agencies such as TfL) would also like to become a party to Section 106 agreements (in kind or financial contributions to mitigate the impact of development or provide affordable housing) on strategic planning applications, to ensure that the infrastructure requirements of strategic importance generated by proposed developments can be catered for. The Mayor is also proposing that developers be required to contribute towards strategic schemes, using pooling arrangements.

4.3.15 The Mayor seeks the power to be a statutory consultee on strategic planning applications outside London where there are implications for the capital. Article 10 of The Town and Country Planning (General Development Procedure) Order 1995 already requires that where an application has cross border implications that the relevant local planning authorities are consulted. The Mayor's proposal would extend this to provide that he too would be consulted on a statutory basis.

4.3.16 Issues for consideration include:

- if the Mayor directs refusal the applicant has a right of appeal and the Mayor has to defend that direction at public inquiry. If the Mayor directs approval there would be

no such mechanism for objectors and the local authority. How could local democratic accountability be preserved under the proposed system, and how can sufficient checks and balances be provided within the GLA?

- would it be more appropriate for the Mayor to become the planning authority for strategic planning applications and how would this work?
- would it be possible to separate the Mayor's role of promoting development from his role in making decisions on strategic planning applications?
- would the role of the Assembly need to be strengthened? For example the introduction of a power to audit and investigate planning decisions made by the Mayor?

4.3.17 The Government has identified the following options in relation to development control:

- (a) **significant additional powers:** make the Mayor the development control authority for defined classes of strategic planning application in London, or in relation to defined strategic sites (this would include Section 106 negotiations and pooling of funds for these sites). The Mayor would consult on and decide strategic planning applications himself, in the same way as a London borough decides applications. The Secretary of State would retain the current power of call-in. However, these powers would only be exercised in relation to proposals that raised issues of national significance;
- (b) **more limited new powers:** development control remains with the boroughs but the Mayor would have powers to direct refusal or approval for defined categories of strategic planning application (with or without the safeguard that such directions are referred automatically to the Secretary of State for consideration for call-in);
- (c) **updated existing arrangements** (see paragraph 4.3.19).

4.3.18 Both the maximum and more limited options for increasing the powers of the Mayor are likely to require primary legislation, and also require strengthening and remodelling of the London Assembly to ensure the Mayor's decisions are given adequate scrutiny.

Updated current arrangements

4.3.19 The "minimal change" option would involve modifications to the current arrangements to bring them up to date rather than fundamental changes in the relationship between national, regional and local government. The main components of this are:

- (i) amendments to GOL Circular 1/2000, the Town and Country Planning (London Spatial Development Strategy) Regulations 2000 and the Town and Country Planning (Mayor of London) Order 2000 to reflect changes introduced by the Planning and Compulsory Purchase Act 2004;

(ii) a 'tidying up' of the current arrangements for referral of planning applications to the Mayor, picking up on any practical issues which have arisen over the last 5 years.

4.3.20 Amendments would reflect changes in context since the inception of the GLA. These include consequential changes flowing from the commencement of the Planning & Compulsory Purchase Act in September 2004. A number of the provisions of the Act impact on the strategic planning system in London. For example, the London Plan is now part of the statutory development plan – under the previous arrangements it was not. Similarly, the arrangements for boroughs to seek the views of the Mayor on the general conformity of their plans with the London Plan have changed marginally. Whilst none of these changes fundamentally alter the strategic planning arrangements in London, GOL Circular 1/2000 needs to be amended to avoid confusion between the old and new arrangements.

4.3.21 Similarly, there is a need to ensure the arrangements for preparation of the London Plan and other Regional Spatial Strategies are broadly consistent. There is also a need to reflect experience of the operation of the Mayor's role in considering planning applications of potential strategic importance. There would be scope here for a widening of application referral criteria¹³.

4.3.22 This option would, by definition, be included in options (a) and (b). On its own it would be achievable quickly, via changes to the current Circular and Order rather than primary legislation. Whilst this option would not involve giving the Mayor formal powers of direction over Local Development Schemes and Local Development Documents the Government could strengthen the guidance in the Circular to make clear that the Government expects boroughs to engage fully with the Mayor in the preparation of those documents.

Potential Costs and Benefits

4.3.23 The direct costs and benefits are difficult to identify at this stage. They would depend on the final option chosen and on the changes in staffing levels required for each option. Options (a) and (b) would take the longest to implement because of the need for primary legislation and new regulations. Option (c) would be the quickest. Option (a) could cost more than other options as new GLA staff will be required to handle the whole process of determining planning applications.

4.3.24 Options (a) and (b) could also require significant changes to the way the Assembly is structured and operates. The benefits of increasing the powers of the Mayor could include a greater focus on strategic developments in the capital but this would need to be balanced against the possible loss or overriding of local views. The Mayor's wish to see a rethink of Government's role in the planning of London would flow from any redefinition of powers and responsibilities as outlined above.

¹³ Referral criteria for strategic planning applications are contained in SI No. 1493 the Town and Country Planning (Mayor of London) Order 2000. Further consultation on the extent of changes to these criteria will be undertaken following the outcome of this consultation.

Questions

Comments are invited on each of the options outlined above. Specific questions are:

- Q 8:** *Is there evidence from the operation or delivery of the planning system in London to justify fundamental change to the current arrangements?*
- Q 9:** *Do consultees have other suggestions, beyond those set out in this paper, on how the efficiency and effectiveness of the strategic planning process in London can be improved?*
- Q 10:** *For each of the options, would the changes proposed lead to a demonstrable improvement in the performance and delivery of regional planning and consequent local planning activity in London?*
- Q 11:** *For each of the options, would there be an acceptable impact upon democratic accountability of decision making; would there be adverse consequences for the delivery of national policy; and would there be any adverse consequences for adjoining regions?*
- Q 12:** *Are safeguards needed (such as an increased role for the Assembly) to ensure accountability, consistency, fairness and propriety if the Mayor is given powers to decide planning applications and/or direct changes to Local Development Documents and Local Development Schemes? If so, what safeguards would be required?*
- Q 13:** *How should the Mayor's promotional and decision making roles be reconciled under options a) and b)?*
- Q 14:** *Should the Mayor be consulted on a statutory basis on planning applications outside London that impact on the capital, and how would these be defined?*
- Q 15:** *Should the Mayor be a statutory party to negotiations on Section 106 agreements associated with strategic applications and what would the implications be for the use of Section 106 income, or the mitigation of local impacts arising for development proposals (setting aside the changes to planning obligations foreshadowed in Budget 04 as a result of the Barker review)?*

4.4 Waste Management and Waste Planning

Current Arrangements

- 4.4.1 Waste management arrangements in London, as outside the capital, are complex. The Mayor is responsible for producing a Municipal Waste Management Strategy (MWMS) and the Spatial Development Strategy for London (SDS). Waste authorities must have regard to the Mayor's Municipal Waste Management Strategy when undertaking a function under Part II of the Environment Protection Act 1990, which sets out a waste authority's responsibilities. Development Plan Documents (DPDs) produced by London Boroughs and the Corporation of London must be in general conformity with the Mayor's Spatial Development Strategy (the "London Plan"). London boroughs and the Corporation of London are responsible for delivery of municipal waste management, treatment and disposal services.

4.4.2 The Mayor has powers in the Greater London Authority Act (1999) in relation to waste management and planning. These are mainly but not exclusively:

- That all waste authorities must notify the Mayor at the early stages of letting a new waste contract, allowing him at least 56 days to consider;
- That he can direct a Waste Authority, if it is considered necessary, to ensure compliance with his waste strategy, which allows him to influence strategy, contract processes; require actions within the terms of existing contracts; and ensure the coverage of waste issues within contracts;
- Planning applications for major infrastructure, including waste with capacity for a throughput of more than 50,000 tonnes per annum must be referred to the Mayor, who may direct a refusal of permission.

4.4.3 The structure for waste management in London is set out below:

- All thirty-two boroughs and the Corporation of London are individually responsible for waste collection;
- The Corporation of London and eleven of the thirty-two London boroughs are also individually responsible for the disposal of waste;
- The remaining twenty-one boroughs are arranged into four statutory joint waste disposal authorities responsible for the disposal of municipal waste for their constituent boroughs. Each statutory joint waste disposal authority is led by a committee of Councillors from its constituent boroughs;
- Each of the thirty-two London boroughs and the Corporation of London are Waste Planning Authorities in their own right.

4.4.4 The arrangements are a legacy of the abolition of the Greater London Council in 1986. Outside of the main metropolitan regions of England there are different arrangements for waste management with disposal and waste planning undertaken within the same organisation at the same tier of government. In two-tier areas (Counties and Districts) the County Council is responsible for waste disposal and waste planning and the District Council is responsible for waste collection. In single tier areas (unitary authorities) the unitary authority is responsible for waste collection and disposal and for waste planning.

MAP 2: WASTE AUTHORITIES IN GREATER LONDON



4.4.5 In London, the regional framework for waste planning is set by the London Plan (February 2004). This, together with boroughs' Unitary Development Plans (these are now being replaced by new Development Plan Documents (DPDs)), forms the development plan against which individual planning applications are 'tested'. An alteration to the London Plan will provide further guidance on the number and broad location of strategically important waste management and disposal facilities. Public consultation on the draft alteration commenced in October 2005. DPDs produced by London boroughs, the Waste Planning Authorities, are required to be in general conformity with the London Plan. Many of the London boroughs have indicated through their first Local Development Schemes that they intend to review their waste policies and, through Waste DPDs, joint Waste DPDs or site DPDs supporting their core strategies, allocate sites for new facilities.

Issues and Challenges for London

4.4.6 London accounts for some 15% of England's waste and plays a key role in meeting national commitments and international obligations for waste management. Government policy, as set out in the national Waste Strategy, 'Waste Strategy 2000', seeks to break the link between economic growth and the amount of waste produced and to drive the management of waste up the waste hierarchy of reduction, re-use, recycling and composting and energy recovery.

4.4.7 It is estimated in the London Plan that waste arisings will increase from 17 million tonnes in 2001 to 23.5 million by 2020. The London Plan estimated that in 2001 London managed 60% of all the waste generated within London, with a target set out in the London Plan to achieve 85% by 2020. Currently 70% of London's municipal waste is sent to landfill and on average the performance of London's waste authorities

lags behind much of the country, with a recycling rate of household waste at 13.3% in 2003/04, below the national target of 17%.

- 4.4.8 To compound the situation further, space for landfill is rapidly decreasing and the Mayor's MWMS, published in 2003, states that landfill capacity within London is expected to run out by 2015. Capacity for London's waste to be landfilled in the East and South East of England is also depleting.
- 4.4.9 Local authorities have targets to drive up recycling and composting rates of household waste and waste disposal authorities have obligations under the Landfill Allowance Trading Scheme (LATS) to divert biodegradable municipal waste sent to landfill. As the controllers of household packaging waste, local authorities have a role to play in enabling waste producers to meet their obligation to recycle increasing amounts of packaging under the EU Packaging Directive.
- 4.4.10 With the shift from predominantly landfilling waste to more sustainable options there is a need to significantly increase the number of waste facilities in London (as detailed in the draft alteration to the London Plan).
- 4.4.11 Identification and delivery of sites for new facilities takes place within the new system of regional and local planning introduced by the Planning & Compulsory Purchase Act (2004) and new policy on Planning for Sustainable Waste Management PPS10 issued by ODPM in July 2005. The benefits of these changes are only just beginning to take effect.
- 4.4.12 London faces many challenges to delivering sustainable waste management. These include its highly transient and culturally diverse population, which can make communication difficult, areas of high-density housing, which make collecting recyclable materials more difficult, strong competition for land which limits the potential for new waste facilities and complex decision-making arrangements. The Government considers it important that the governance arrangements in London do not hinder the capital's ability to contribute to national commitments and international obligations for sustainable waste management.

Options for Change

- 4.4.13 The Government's review of GLA powers is seeking to identify whether there is a case for change and, if so, establish what the most appropriate governance and structural arrangements are to deliver sustainable waste management in London. This encompasses collection, treatment and disposal of municipal waste (MSW); consideration of any potential future role for London's regional or local government in managing non-municipal waste, and planning for all waste streams. Although the two issues of managing municipal waste and planning for all waste are separate, they are closely related. The review will consider where these functions and responsibilities best lie and whether there should be any changes in the balance of powers to improve the current situation. The factors set out in the planning section (4.3) will inform this review of waste planning arrangements in London. Similarly, the conclusions reached by Government in the light of the consultation on the wider changes to the Mayor's waste planning powers will inform the decisions made on waste planning.

- 4.4.14 We are commissioning work to explore what may be the optimum solution for London. We expect this work to complete to broadly the same timescales as this consultation exercise. Building on existing evidence and taking into account the Mayor's proposals, this work will identify and consider a range of potential governance options that would best help London to achieve more sustainable waste management in the long-term, alongside effective procurement and spatial planning. It will need to consider the relationship between collection and disposal responsibilities, integration of collection with other local services, and the relationship to any wider changes to the Mayor's planning powers as well as any consequential implications for waste management outside London.
- 4.4.15 There is a range of possible options for changing the structure and responsibilities for waste management and planning in London that might improve performance, which the commissioned work will develop in more detail. The Mayor has put forward a proposal for a Single Waste Authority and enhanced Mayoral planning powers for waste. This option is set out below along with alternative versions of a Single Waste Authority, and a further range of possible options for governance arrangements in London. This is not the final list of options and the work we are commissioning is likely to identify further options and variations.
- 4.4.16 This consultation is central to our work in exploring the best governance options for waste in London and in gaining the broader views of stakeholders.
- 4.4.17 The Government is clear that it is vital for London boroughs to continue now to drive through investment in waste facilities that is already planned. Delays now could harm London's ability to meet its future waste management obligations, with or without changes to governance arrangements. If authorities fail to invest in the required infrastructure to meet their future waste management obligations the Secretary of State has powers in section 15 of the Local Government Act 1999 to intervene formally.

Waste Management Options

- 4.4.18 There are a number of options for waste management. Principally these are:
- 4.4.19 **Option 1** is for a Single Waste Authority (SWA) for London. It would be a functional body of the GLA responsible for the disposal of London's municipal waste. The Mayor would also be given an appropriate degree of oversight over waste collection contracts to ensure conformity with the operational strategy of the single waste authority. Information on the Mayor's proposals can be found at:
<http://www.london.gov.uk/mayor/environment/waste/docs/lswa/proposal.rtf>
- 4.4.20 **Option 2** – a London Statutory Waste Authority (a Single Waste Authority that is not a functional body of the Mayor), with a representative from each borough and the Corporation of London sitting on the Committee. This could also include a representative of the Mayor. The Statutory Waste Authority would also be given an appropriate degree of oversight over waste collection contracts to ensure conformity with the operational strategy of the statutory waste authority.

- 4.4.21 Under either option operations could be carried out at a number of geographic scales. There are also a number of variations on the breadth of functions of a Single Waste Authority. These include:
- i) Operational and strategic responsibilities for collection and disposal of municipal waste only;
 - ii) (i) and strategic responsibility for non-municipal waste;
 - iii) (i) and strategic and operational (disposal only) responsibility for non-municipal waste; or
 - iv) (i) and strategic and operational (disposal and collection) responsibility for non-municipal waste.
- 4.4.22 **Option 3** would be for the twelve authorities that undertake both waste collection and disposal to join existing and new statutory Joint Waste Disposal Authorities, with borough representation from each constituent authority sitting on the Joint Committees, so that all waste disposal arrangements in London are sub-regional. The Mayor's powers over waste authorities could either be strengthened or remain the same.
- 4.4.23 **Option 4** would be a 'do nothing' option where the waste management structure in London would remain the same.

Waste Planning Options

The Government would test the options for waste planning against the same criteria as set out for planning generally (below and at paragraph 4.3.7):

- 4.4.24 **Option A** – That the Mayor be given enhanced planning powers in relation to waste. The Mayor would be responsible for planning for all waste streams in London, with powers to identify specific sites through a regional waste plan, undertake development control functions for waste and compulsorily purchase land.
- 4.4.25 **Option B** – A single London-wide, statutory joint waste planning authority, with a representative from each borough and the Corporation of London sitting on the Committee, would be responsible for planning all waste streams in London, with powers to identify specific sites, undertake development control functions and compulsorily purchase land. This could also include a representative of the Mayor.
- 4.4.26 **Option C** – Statutory sub-regional, joint waste planning authorities, with a representative from each constituent borough sitting on the respective committee, would be responsible for planning all waste streams in London, with powers to identify specific sites, undertake development control functions and compulsorily purchase land.
- 4.4.27 **Option D** – Do nothing. The boroughs would remain responsible for planning for all waste streams in London, with powers to identify specific sites, undertake development control functions and compulsorily purchase land.

- 4.4.28 **Option E** – Waste planning authorities would retain Development Control functions and the Mayor’s existing planning powers would be enhanced, through one or more of the following:
- a. allowing the Mayor to make site allocations;
 - b. giving the Mayor powers to determine strategic waste applications (for example falling within the broad locations for facilities identified in the London Plan, or over a certain throughput threshold);
 - c. giving the Mayor powers to direct over LDSs and DPDs on waste issues;
 - d. consulting the Mayor on all waste development proposals and any planning applications for a change of land use from waste.

Potential Costs and Benefits

- 4.4.29 The current arrangements for waste management in London can create artificial boundaries, and be a barrier to joint working and delivery. Some local authorities operate independently and sometimes in conflict with each other. This can be confusing to the public and affect participation, as well as failing to take advantage of the potential benefit, including more efficient use of resources and expertise, to be gained from a joint approach to strategic planning, procurement and operations.
- 4.4.30 In parallel with this consultation, we will be commissioning further detailed research to identify costs and benefits of different waste disposal and waste planning arrangements.
- 4.4.31 The intention is that any changes will not place any unfunded new burdens on local authorities (including the GLA).

Questions

- 4.4.32 Your views are invited on the following general and specific questions. Following this consultation and the work we are commissioning in parallel, we will analyse the responses and consider governance options for waste management in London.

Q 16: *What, if any, is the case for change to current waste disposal and waste planning arrangements in London, taking into account:*

- a. Experience since the GLA came into being;***
- b. The changes arising from the planning reform agenda and updated planning policy on waste management; and***
- c. Options for enhancing the Mayor’s planning powers detailed by options in the planning section?***

Q 17: *Are there powers that could be given to the GLA, disposal authorities or planning authorities that would enable the current structure to work better?*

Q 18: *If you consider there is a case for change, what is your preferred option for waste management and waste planning (including any options not covered in this section), and what are your views on the risks and benefits of:*

a. the range of options outlined above;

b. specifically, the Mayor's proposal.

Q 19: *If a Single Waste Authority of some kind is established, what type of governance structure should it have (e.g. modelled on TfL, the LDA, LFEPA or the ALG Transport and Environment Committee) and why?*

Q 20: *In respect of waste planning:*

a. Would London be better equipped to achieve more sustainable waste management if disposal and planning responsibilities are met within the same organisation; at the same geographic scale; or both?

b. Should the Mayor be given powers to allocate sites for new waste facilities and make development control decisions?

c. If so, are safeguards needed (such as an increased role for the Assembly) to ensure accountability, consistency, fairness and propriety? What might these be?

Q 21: *Are transitional arrangements required with any of the options set out for waste management and/or waste planning, and if so what are they?*

Q 22: *What is the optimal geographic scale (i.e. borough-level; sub-regional level; or pan-London level) for:*

a. Procurement of collection and disposal infrastructure; and

b. Management of collection and disposal operations?

Q 23: *What governance, operational or procurement links should be made between collection and disposal? Why?*

Q 24: *How can the sustainable management of London's non-municipal waste streams be assured? To what extent could management of municipal and non-municipal wastes be combined? And how could this be achieved?*

4.5 Culture, Media and Sport

Introduction

4.5.1 Cultural and leisure activities can make a profound contribution to improving our quality of life, boosting economic development, tackling social exclusion and improving our health and well-being.

4.5.2 London's cultural offer is one of its greatest strengths. It includes 4 World Heritage Sites, over 200 museum and galleries and 108 theatres and music halls. In reviewing the powers of the Authority we wish to enable the Mayor and the Assembly to build on the city's cultural profile whilst ensuring that the national cultural resource is not inadvertently undermined.

Current arrangements

4.5.3 At present, central Government, through national and regional public bodies – and the London Boroughs, have primary responsibility for promoting and funding culture (including the arts, sport, museums and galleries, libraries and archives, the historic environment and tourism) in London.

4.5.4 The establishment of the GLA has already created a new partnership between the Government, its national and regional bodies and the Authority to promote and develop culture in the capital. This review seeks to build positively on what has been achieved to date, for instance the many successful events staged in Trafalgar Square under the auspices of the Mayor, by delivering a better deal for culture in London.

4.5.5 The Greater London Authority Act 1999:

- required the Mayor to produce a culture strategy for London, covering the full range of culture including topics such as arts, sport and tourism;
- provided a specific power permitting the Mayor to make grants for the purposes of any museum, gallery, library, or archive or other cultural institution;
- enabled the Mayor to provide non-financial assistance to cultural institutions;
- imposed a duty to promote Greater London as a tourist destination in its own right and overseas as a gateway to the UK; and
- gave the GLA responsibility for the care and management of Parliament and Trafalgar squares.

Issues and challenges for London

4.5.6 The immense success of securing the 2012 Olympic and Paralympic Games for London presents unprecedented opportunities to bring about a sea change in the cultural and sporting life of the capital. In realising these opportunities, it is crucial to ensure that significant benefits are also felt throughout the rest of the UK.

4.5.7 It is also important to acknowledge that London is the hub of culture and sport in the UK and that the arrangements for their organisation in the capital cannot be looked at in isolation from the other regions and nations. In considering what additional powers might be given to the GLA, we therefore need to balance the needs of the city with those of the rest of the UK.

Options for change

- 4.5.8 In light of the above, and in keeping with the general aims of this review, we have focused on the strategic influence that the GLA should have on the cultural and sporting life of the capital. We believe that the GLA should have a significant influencing role on culture and sport in London through a clearly defined consultative role and through powers to make appointments to those London regional cultural bodies which are part of the DCMS network.
- 4.5.9 We do not propose that responsibility for the day to day funding and running of cultural facilities should be transferred to the GLA. It is important to maintain the integrity of national cultural provision and London institutions are a key component of that provision. Existing funding streams would continue to flow from DCMS and the Lottery through Non Departmental Public Bodies. The Authority could provide additional partnership funding, especially where activities are able to make a particular contribution to its wider goals on economic performance and quality of life, or where investment is needed as part of a package to include cultural facilities.

Proposals

4.5.10 We propose that:

- through the London Cultural Consortium, the GLA would involve arts, sport and other cultural delivery bodies in the preparation of the Mayor's Cultural Strategy;
- national strategic cultural NDPBs (Arts Council England, Sport England etc) should consult the GLA on their national strategies. This would provide opportunities for the Authority to inform them about relevant regional priorities and activities and for the GLA in turn to receive information relevant to the preparation of their own regional cultural strategic plans;
- regional strategic cultural NDPBs should consult the Authority on their regional strategies. This should help to ensure that such strategies fit with the Mayor's cultural strategy and the regional priorities identified in it as well as addressing national priorities for culture in that region;
- the GLA should appoint, subject to the application of Nolan principles, members of London cultural bodies and, with the agreement of the Secretary of State (in view of the national responsibilities that some Chairs would have as an ex-officio member of the national bodies), the Chairs of those bodies.

Potential costs and benefits

- 4.5.11 The proposed new arrangements for consultation between the GLA and national and regional bodies will involve some minor administrative costs associated with liaison between the bodies and the consideration of any comments provided.
- 4.5.12 The proposals relating to appointments should be cost neutral as the mechanisms for advertising for and considering applications from potential board members will remain broadly the same irrespective of the GLA's new role in the making of appointments.

- 4.5.13 Overall, better coordination of strategies should lead to more efficient and complementary use of funds from the various bodies and therefore assist in delivering an improved cultural offer within the capital.

Questions

- Q 25: Should the GLA be responsible for appointing Chairs and board members of London cultural bodies?***
- Q 26: Should the GLA be consulted on cultural NDPBs' national strategies, (including plans for spending) as they are developed, and should London cultural bodies consult the GLA on the development of their regional strategies?***
- Q 27: Should the GLA consult London cultural bodies on the development of the Mayor's Cultural Strategy?***

4.6 Public Health

Current arrangements

The Department of Health

- 4.6.1 The Department of Health sets the policy framework for the NHS in London and performance manages the NHS through five strategic health authorities (see below). The Department of Health has a regional presence through its Regional Public Health Group which works with partners to improve the health of Londoners and tackle health inequalities.

Public Health

- 4.6.2 There are public health functions operating at local level in PCTs (see paragraph 4.6.7) and at sub-regional level in strategic health authorities. At a regional level, in addition to the Department of Health's Regional Public Health Group, the GLA also has obligations around health and recognises health as one of its three cross-cutting themes. The Department of Health's Regional Director of Public Health for London is Health Adviser to the Mayor and GLA.
- 4.6.3 While the Mayor does not have any direct policy powers in relation to health, the GLA does have duties to promote the health of Londoners and reduce health inequalities that is enshrined in the GLA Act. The GLA works to improve health primarily through influencing others, as well as by bringing together partnerships to achieve more effective responses to issues such as drugs and alcohol. The GLA also has a duty to take into account the effect of its own policies and strategies on health. Health Impact Assessments have been carried out jointly with the London Assembly and London Health Commission to this effect.
- 4.6.4 The London Assembly's Health and Public Services Committee undertakes scrutinies on issues of importance to the health of Londoners. Past scrutinies have included looking at issues such as sexual health and MRSA. There have also been joint scrutinies with the Association of London Government on the London Ambulance Service and access to primary care.

- 4.6.5 A Health Strategy for London was developed by partnership working in 1999/2000. This identified inequalities, regeneration, black and minority ethnic health and transport as major health issues for London. Following the development of the health strategy, the London Health Commission was set up by the Mayor in 2000 to take forward the strategy and improve the health of Londoners. With no statutory powers, functions or funding the Commission is a partnership of agencies across London working to reduce health inequalities and improve the health and wellbeing of Londoners. The Chair of the Commission is appointed by the Mayor and the secretariat is based at City Hall.

Health Services

- 4.6.6 London's five strategic health authorities (SHAs), each cover populations of around 1.5 million people. SHAs are responsible for the strategic development of health services and for the performance management of primary care trusts and NHS trusts in their areas.
- 4.6.7 There are 31 primary care trusts (PCTs) in London. London's PCTs are currently coterminous with local authority boundaries. PCTs are responsible for the health of their population, providing primary and community services and commissioning specialist services. Each PCT receives funding of up to £330million directly from the Department of Health.
- 4.6.8 There are 43 NHS trusts providing mental health and hospital services across London. As well as those hospital trusts providing general acute services, some also provide teaching and some focus on specialisms in particular fields e.g. oncology or orthopaedics. Five of the most successful hospital trusts in London have now achieved 'foundation' status, allowing them greater freedoms in delivering services. The London Ambulance Service is the only pan-London NHS trust.

Issues and challenges for London

Health issues

- 4.6.9 London's overall levels of ill-health are similar to the national picture but this masks large health inequalities and disproportionate health needs with respect to some health conditions, including higher levels of mental health, substance and alcohol misuse, sexual health, including HIV and AIDS and infectious diseases, including tuberculosis. The extremely high numbers of black, Asian and other minority ethnic people residing in London pose a challenge to the NHS in terms of the provision of culturally competent services.
- 4.6.10 Implementation of the public health white paper *Choosing Health*, which focuses on tackling health inequalities and issues such as smoking, obesity, sexual health, mental health, and alcohol, presents a significant challenge, not least because much of it will only be achievable in collaboration with a range of partners such as local authorities locally, who also address the wider determinants of health and others at a London-wide level. One of the major London-wide partners is the GLA with its responsibilities in relation to some of the wider determinants of health, such as economic development and planning.

Health Services

4.6.11 *Commissioning a Patient-Led NHS* published in July 2005 sets out the Department of Health's intention for PCTs to become stronger organisations with a more focused role, especially in relation to the following:

- to commission better services for patients;
- to work more closely with local government; and
- to ensure that we get the best value for money from the system.

A blueprint is not being imposed for the precise shape of future PCTs from the centre.

4.6.12 SHAs have recently submitted their proposals for the reconfiguration of PCTs, which set out how they intend to strengthen their commissioning function. These proposals have been assessed by an Independent External Panel drawn from, and representing, a wide range of stakeholder interests, to determine whether the SHA proposals meet the criteria stipulated in *Commissioning a Patient-Led NHS*. Where criteria are judged to have been met, the proposals will go forward to a full 3-month public consultation. This will be a key time for ensuring that local people, and clinical and other staff are fully involved in deciding new arrangements and which services will be best for patients.

4.6.13 The Department of Health's clear goals are, through this process, to deliver the best possible health and healthcare, for all patients, in each local area.

4.6.14 The five SHAs in London are currently conducting a review to consider the implications of the Government's *Commissioning a Patient-Led NHS* on the future functions and configuration of London's PCTs, NHS trusts and SHAs.

4.6.15 As the commissioning role of PCTs is strengthened through *Commissioning a Patient-Led NHS*, so also could aspects of joint work with London boroughs be strengthened. This could be achieved by joint appointments of Directors of Public Health to formalise the joint work between local authorities and PCTs on health improvement and wellbeing. There could also be extended joint commissioning of health and social care, strengthening the interface between local authorities and PCTs at borough level and through LSPs on issues such as sexual health, drugs and alcohol, vulnerable adults, mental health and housing etc.

4.6.16 *Commissioning a patient led NHS* lays out the Government's commitment to streamlining the number of statutory bodies involved in the management of the NHS in order to free at least £250 million for reinvestment in patient care by 2007/08. PCTs, for example will be required to cost 15% less in terms of management and administration costs as a result of the streamlining.

4.6.17 The forthcoming White Paper on improving community health and care will incorporate messages from the Green Paper consultation on adult social care. The public have continually emphasised the need to bring health and social care together to have a person-centred approach rather than one determined by organisational boundaries. The White Paper will respond by emphasising the importance of health and social care working together at local level.

Options for change

4.6.18 The Mayor and GLA already have a statutory duty to promote improvements in the health of Londoners and this has been exercised in a number of ways including the use of Health Impact Assessment outlined above. A potential option would be for the Mayor to have additional powers in relation to health improvement. The current role of the Regional Director of Public Health in London as Health Adviser to the Mayor and GLA Group could be formalised. Consideration could be given to aligning powers for health improvement with other strategic issues that influence health and health inequalities.

Question

Q 28: Should the Mayor be given further powers relating to health improvement, building on the existing responsibility to take the health of Londoners into account and to improve their health, and if so, what would these be?

4.7 Energy

Current Arrangements

4.7.1 Energy is currently not one of the areas where the Mayor is required to produce a strategy. Nevertheless, the Mayor voluntarily produced and launched an Energy Strategy for London *Green Light to Clean Power* in February 2004. The Strategy sets an “energy vision” for London by 2050 that includes:

- CO₂ emissions reduced by 60%
- Energy efficiency maximised
- Elimination of fuel poverty
- A positive contribution to London’s economy

4.7.2 The London Energy Partnership (LEP), which brings together a range of key regional partners, was launched in January 2004 to help deliver the Mayor’s Energy Strategy and, in particular, implement those areas of the Strategy that require cross-sector working. The DTI currently supports, via Government Office for London, the work of the London Energy Partnership via a small seedcorn fund.

4.7.3 The Mayor has also established a Climate Change Agency for London. The Agency, to be based in the London Development Agency, will work with the private sector to deliver enhanced energy infrastructure and improve energy efficiency in new and existing buildings.

Issues and Challenges for London

4.7.4 The 2003 Energy White Paper made clear that local and regional bodies (local authorities, RDAs and Regional Assemblies) had a key role to play in delivery of the key objectives of UK energy policy; in particular, long term cuts in carbon dioxide (the main greenhouse gas) to tackle climate change, and efforts to eradicate fuel poverty and maintain secure energy supplies.

4.7.5 Londoners will be impacted directly by the success or failure of efforts to deliver these objectives. For example:

- The GLA's 2002 publication 'London's Warming' showed the risks that might arise for Londoners from climate change, such as increased flooding and temperature changes. The Mayor's Energy Strategy sets out the potential importance of the role Londoners can play in helping to tackle climate change. Between 1965 and 1999, energy consumption in Greater London increased overall by around 16 per cent, despite a net fall in population of seven per cent. The per capita rate of energy consumption has risen significantly.
- Like all regions of the UK, a percentage of London's population – 3.6% of London households in 2003 – are fuel poor, spending more than 10% of their incomes on keeping their homes adequately heated. This is a critical issue for the health and welfare of Londoners. Investment in energy saving measures and behaviours is key to tackling this issue long term. The development of strong links with local health and welfare professionals will be critical for the most vulnerable groups.
- London government can affect the delivery of these outcomes through the powers and responsibilities it wields (for example, planning, housing and economic development) as well as through the opportunities they have to influence the behaviour of individuals, businesses and communities at the grass roots – for example, to help drive the uptake of low carbon, energy saving technologies and practices.

Options for Change

4.7.6 The decision by the Mayor to produce an Energy Strategy for London voluntarily was very welcome. The government would like to explore whether there would be any benefit in making the production of such a strategy a clear statutory responsibility for the Mayor.

Potential Cost and Benefits

4.7.7 As the Mayor has already produced a strategy and put in place arrangements to deliver it, this new statutory responsibility would not require him to do more than he is currently doing voluntarily. It is clear that the current Mayor already sees energy as an important issue for London.

4.7.8 However, a statutory responsibility might give an energy strategy more influence with key stakeholders and partners – public and private – in London, on whom the Mayor may rely to help to deliver his objectives.

- 4.7.9 It would also ensure that future Mayors continue to see energy issues as an important part of their portfolio.

Question

Q 29: Should the Mayor be subject to a clear statutory responsibility to produce an energy strategy for London? If you agree that he should, what more if anything does the GLA need to help deliver it?

4.8 Water

Current arrangements

4.8.1 Water and sewerage services in London are provided by private sector companies who hold appointments as water and sewerage undertakers or water undertakers. These are statutory appointments that carry with them duties, powers and functions set out in legislation and in conditions attached to their appointments.

4.8.2 The main bodies with existing regulatory responsibilities for water are:

- **The Director-General of Water Services** (Ofwat, from April 2006 to become the Water Services Regulation Authority), which is the independent, statutory, economic regulator of water undertakers, acting largely through the conditions attached to undertakers' appointments including responsibility for setting water price limits, with primary duties to:
 - protect the interests of customers (wherever appropriate by promoting effective competition);
 - secure that the statutory functions of each undertaker are properly carried out; and
 - to secure that companies are able to finance their functions, in particular by securing a reasonable rate of return on their capital.
- **the Environment Agency**, which:
 - regulates environmental water quality to deliver legal standards and policy goals for the water environment, and in particular is responsible for controlling sewerage undertakers' discharges into receiving waters;
 - has a duty to secure the proper and efficient use of water resources, and a separate duty to have particular regard to water undertakers' own water supply duties; and
 - as the licensing authority for groundwater and surface water abstraction, is responsible for the granting of abstraction licences to both water-only and water and sewerage undertakers as well as to other sectors including industry and agriculture.

- **The Secretary of State for Environment, Food and Rural Affairs** (Defra) has overall responsibility for all aspects of water policy in England, including water supply, water resources management, water affordability and the regulatory systems for the water environment and water industry. Defra has three main policy objectives for water which it delivers within the framework of sustainable development:
 - a secure supply of water of a quality safe for drinking;
 - the use of water resources and sewerage services in a way that respects the environment; and
 - furtherance of social and economic policies.

The Secretary of State also has particular statutory functions, for example in relation to drought.

- **The Drinking Water Inspectorate**, which exercises the powers of the Secretary of State in relation to drinking water supplied by water undertakers, including investigation and the enforcement of drinking water quality standards.

Issues and challenges for London

4.8.3 The policy priorities for water, in London as elsewhere, are:

- sustainable assets - so that there is proper attention to existing assets, maintenance, leakage and sewer flooding, including maintaining an adequate balance between supply and demand for water and taking account of climate change;
- building on the excellent state of drinking water and the much-improved water environment with well-chosen, evidence-based further improvements that make a noticeable difference for people, including the implementation of the more integrated approach introduced by the water framework directive and tackling issues of diffuse pollution; and
- attention paid to the cost and how it affects those water customers who pay for it, especially those least able to pay.

Options for change

4.8.4 The Government has no plans to alter the basic shape of the present framework of private sector water service providers operating within a tight regulatory framework in the interests of customers and the environment that was revisited, confirmed and adjusted as recently as in the Water Act 2003.

- 4.8.5 The challenges that exist can be met and solutions delivered by undertakers and their present regulators. The framework and approach to water services and water regulation is based around river catchments and the boundaries of appointed undertakers, which cut across administrative boundaries. This will be reinforced under the new, more integrated approach to issues of water resources and river basin management planning that will be introduced by the water framework directive. Planning and decisions on water issues limited to London would not take proper account of the whole of the Thames basin and the interests of the people who live in it. The Government sees no case for transferring powers in respect of water from undertakers or existing regulators to the Mayor.
- 4.8.6 However, the Mayor has an existing duty to report on water quality and emissions to water as well as on groundwater in his State of the Environment Report. He has chosen to prepare a Water Action Framework in consultation with the Environment Agency and Thames Water.

Question

Q 30: Do you agree that the Government should have a new duty to have regard to the Mayor's Water Action Framework when it frames its guidance to regulators in preparation for a review of water price limits?

4.9 Sustainable Development

Current Arrangements

- 4.9.1 Some public bodies have a statutory duty to have regard in all that they do to the achievement of sustainable development in the UK. The GLA is one such body.
- 4.9.2 In the Government's Sustainable Development Strategy, *Securing the Future*, we have undertaken to give revised guidance to these bodies and to review the effectiveness of such statutory duties. This consultation provides a timely opportunity to invite views about whether the Mayor's existing powers assist or inhibit the fulfilment of his statutory duty on sustainable development.

Question

Q 31: Are the Mayor's current range of powers consistent with his existing statutory duty on sustainable development (e.g. is there a case for strengthening his existing powers to take account of climate change)?

Chapter 5

The Functional Bodies

5.01 This chapter looks at options for change to some functional bodies' functions and at appointments to their boards.

5.02 The Mayor's proposals for changes to appointments can be found at:
<http://www.london.gov.uk/mayor/powers/docs/governance.rtf>

5.1 Transport for London (TfL)

Current Arrangements in London

5.1.1 Through the Greater London Authority Act 1999, the Mayor was given substantial power over transport in London. He was given the duty to 'develop and implement policies for the promotion and encouragement of safe, integrated, efficient and economic transport facilities and services to, from and within Greater London'. Transport for London was set up to implement the Mayor's Transport Strategy and manages the buses, the Underground, the Docklands Light Railway and Croydon Tramline, a 580km network of main roads, all of London's 4,600 traffic lights and has a strategic role in traffic management. TfL also runs London River Services, Victoria Coach station, regulates taxis and the private hire trade and runs the Dial-a-ride service for those who need door-to-door transport.

Post the GLA Act

5.1.2 Since the GLA Act 1999, there have been three substantive legislative changes to the Mayor's and TfL's transport powers:

- the Local Government Finance Act 2003 which changed the local government capital finance regime and gave TfL (along with other local authorities) the power from April 2004 to borrow prudentially for capital purposes without Government approval;
- the Traffic Management Act 2004 which gave TfL greater control over key borough roads to tackle traffic congestion; and
- the Railways Act 2005 which lifted certain restrictions on TfL that would have precluded the implementation of the Rail White Paper reforms. This will ultimately make it easier for TfL to enter into some agreements with the rail industry, subject to the approval of the Secretary of State.

5.1.3 There has also been further work following the Rail White Paper. Work is in hand to implement proposals that will extend the Mayor's role on fare structures and ticketing technology within London. Ministers have agreed in principle to transfer the Silverlink Metro services to TfL. The White Paper also promised that we would consult on giving TfL the right to specify and pay for rail services in an area slightly bigger than Greater London. A consultation paper will be published in December.

Changes to the GLA Act

- 5.1.4 Currently, section 163 of the GLA Act prevents TfL from disposing of the freehold interest in any land which is or has been operational or grant a leasehold interest in such land for a term of more than fifty years without an order made by the Secretary of State. Prior to London Underground's transfer to TfL, consent for such a land disposal was by a letter from the Secretary of State to London Regional Transport. To simplify and speed up this process we propose to return the requirement to be by letter rather than by order.
- 5.1.5 Several minor regimes in London are still the responsibility of the SoS and carried out by Government Office for London. We propose transferring these functions to the Mayor as these are essentially local issues and should not necessarily be dealt with by central government.
- Decisions on Orders under the Cycle Tracks Act 1984;
 - Confirming local authority byelaws under miscellaneous sections of the Road Traffic Regulation Act 1984 and other legislation;
 - Granting approval to lower kerbs under section 184 of the Highways Act 1980;
 - Granting approval to extend Traffic Management Orders under section 14 of the Road Traffic Regulation Act 1984;
 - Granting approval to make Special Events Orders under section 16(b) of the Road Traffic Regulation Act 1984; and
 - Decisions on Orders under section 9 of the Road Traffic Regulation Act 1984 (as amended by the Local Government Act 1985) (experimental orders and temporary road closures).

Question

Q 32: Do you agree the proposals for section 163 consent to be via letter rather than by an order, and for the other minor regimes to be passed to the Mayor?

TfL's Board

Current Arrangements

- 5.1.6 There is a prohibition on political representatives, other than the Mayor of London, to be members of TfL's Board. Schedule 10, paragraph 2, states that a person may not be appointed to be a member of TfL if he is:
- An Assembly member
 - A member of the House of Lords
 - A member of the European Parliament

- A member of the National Assembly for Wales
- A member of the Scottish Parliament
- A member of the New Northern Ireland Assembly or
- A member of the principal council.

5.1.7 This model is different from that of other organisations within the GLA family including the London Fire and Emergency Planning Authority (LFEPA) and the Metropolitan Police Authority.

5.1.8 Furthermore, the Department for Transport is separately consulting on whether to give the Mayor a greater role in an area slightly larger than the GLA boundary for rail services. If it is decided this should be done, there is provision in the Railways Act 2005 to ensure that the Mayor appoints at least two additional members to the TfL Board who are able to represent the interests of those living or working in areas outside Greater London that are served by railway passenger services for which TfL carries out functions. Notwithstanding the prohibition mentioned above, a person who is a member of a principal council may be appointed for this purpose.

Options for Change

5.1.9 The option is to remove this current prohibition of political representatives, other than the Mayor of London, to be on TfL's Board. This would bring TfL into line with other GLA bodies.

Question

Q 33: Should political representatives, other than the Mayor of London, be able to sit on the TfL Board?

5.2 The London Development Agency (LDA)

Freedoms and Flexibilities

Current Arrangements

5.2.1 The LDA is one of the functional bodies of the GLA and is accountable to the Mayor. The LDA prepares the Mayor's Economic Development Strategy (EDS) for London and supports delivery of the EDS through its own activities and through co-ordination and working in partnership with other public and private sector partners. The LDA receives its funding from the RDA Single Budget via a grant offer from the Secretary of State to the Mayor.

5.2.2 The Regional Development Agencies (RDAs) Act 1998 states that RDAs, including the LDA, may only give financial assistance if the Secretary of State consents. The RDAs have been granted delegated authority to approve projects up to £10 million in value without seeking the consent of the Secretary of State. All RDAs must also seek consent for projects that are deemed novel, contentious or repercussive.

- 5.2.3 The RDAs' Act 1998 also requires the RDAs to seek the consent of the Secretary of State to the disposal of land for less than the best consideration which can reasonably be obtained.

Issues and Challenges for London

- 5.2.4 As part of the GLA Group, the LDA was the subject of an Initial Performance Assessment (IPA) carried out by the Audit Commission in 2004. The LDA achieved an overall performance rating of 'good'. In his 2005 Budget, the Chancellor announced the Government's intention to increase flexibilities for the LDA and strengthen the LDA's accountability to the London Mayor in the way it offers financial assistance, recognising the LDA's 'good' rating in its IPA.
- 5.2.5 The Government is considering how this can best be achieved, and new arrangements will be introduced as soon as possible. These arrangements are not part of the Review.

European Structural Funds

Current Arrangements

- 5.2.6 The Office of the Deputy Prime Minister is the Managing Authority for the London Objective 2 programme, which tackles barriers to economic opportunity in some the most disadvantaged boroughs, and the Paying Authority for the European Regional Development Fund. The Department for Work and Pensions fulfils these roles for the Objective 3 programme, funded through the European Social Fund, which helps the unemployed and socially excluded find work and training. However, many of these functions, such as the appraisal and approval of projects, operating the Objective 2 Programme Monitoring Committee (LEPC), publicity, monitoring and evaluation are delegated to the Government Office for London.

Issues and Challenges

- 5.2.7 The current round of European programmes ends on 31 December 2006. The Regulations covering the 2007-13 round are currently being negotiated and these are unlikely to be concluded until 2006, after the overall EU budget for 2007-13 has been agreed. The UK Government view is that the funds should be focussed on the poorer regions of the EU, with richer Member States funding regional economic development from domestic resources. At this stage in the process, it is too early to anticipate how any future arrangements, whatever the source of funding, would be managed.

Question

Q 34: If London receives European funding during the 2007-13 round of European programmes, do you consider the Government Office for London, the GLA or another body best placed to run the programme?

5.3 The Metropolitan Police Authority (MPA)

Current Arrangements

5.3.1 Prior to the Greater London Authority Act 1999 and the creation of the Metropolitan Police Authority (MPA), the Metropolitan Police Service (MPS) was held to account by the Home Secretary, who was in turn answerable to Parliament for its performance. The creation of regional structures under the 1999 Act, including the Mayor and the GLA, provided an opportunity to improve democratic accountability and align the arrangements more closely with the rest of the country by creating a police authority for the MPS. However, the special nature of London has meant that the accountability arrangements for the MPS remain unique in a number of ways.

5.3.2 Although the legislatively prescribed functions of the MPA are identical to that of other police authorities (to secure the maintenance of an efficient and effective police force), there are some noticeable differences including:

- The elected representatives that make up over half of the MPA membership are members of the GLA appointed by the Mayor to reflect the political balance of the Assembly. Elected representatives in other police authorities are drawn from county councils and unitary authorities.
- Uniquely, one of the independent members of the MPA is appointed by the Home Secretary, reflecting the national and international functions of the MPS in relation to the protection of prominent people and places, national security and counter-terrorism.
- With 23 members the MPA is larger than other police authorities (most have 17).

5.3.3 Additionally, the Assembly, the Mayor and the Home Secretary have additional roles in holding the MPS to account:

- The Assembly has the power to question the MPA on the discharge of its functions and has, in practice, extended this scrutiny function to the MPS as well.
- The Home Secretary retains a direct role in holding the MPS to account for its national and international functions in relation to the protection of prominent people and places, national security and counter-terrorism.
- Through his high public profile and central role in the budget setting process for the MPS we recognise that the Mayor is able to exert influence over policing priorities for the force.

Issues and Challenges for London

5.3.4 We believe that the MPS is not held to account as efficiently and effectively as it could be. The existing structure in which many bodies have a direct or indirect role in holding the MPS to account needs to be streamlined in order to ensure the process is transparent to the people of London. Furthermore, strong leadership is required at the head of the accountability body to ensure that it is effective in holding the MPS to account.

Proposal

- 5.3.5 We are convinced that the MPA should continue to be the primary accountability body for the MPS. But we intend to reform it to strengthen its ability to discharge its functions.
- 5.3.6 We propose to provide for the Mayor to be the chair of the MPA. There is already a strong public perception that the Mayor is directly responsible for the performance of the MPS, even though at present he is limited to exerting indirect influence by means of his high public profile and overall budget setting role. Making him the chair will make real this perception and strengthen the democratic legitimacy of the MPA. Furthermore, we are of the view that the high visibility and direct link to local people will provide the Mayor with sufficient leverage to increase the effectiveness of the MPA as a scrutiny body.
- 5.3.7 This change will also streamline the accountability arrangements by removing the need for the Mayor to indirectly influence the process. By giving the Mayor a lead role in the formal accountability structure, we will have removed one of the separate parties holding the MPS to account.
- 5.3.8 Although we recognise that London represents a special case in many ways, we should minimise the extent to which its arrangements are taken out of alignment with the rest of the country. We therefore intend for the other members of the MPS to be comprised of members of the London Assembly, chosen to reflect the political balance of the assembly, and independent members. As chair of the MPA, the Mayor would have an increased role in the selection of independent members (save for the Home Secretary appointment).

Question

Q 35: We welcome comments on the proposed approach.

Section 17 of the Crime and Disorder Act 1998

Current arrangements

- 5.3.9 Section 17 of the Crime and Disorder Act 1998 places a duty on those organisations that fall within its ambit¹⁴ to do all they reasonably can to prevent crime and disorder in their area. The organisations to which section 17 applies are responsible for delivering a wide range of services locally, and in delivering these services they are ideally placed to impact on the socio-economic and environmental drivers for crime. Section 17 requires them to routinely consider the implications for crime and disorder as they carry out their day to day business in delivery of these services.

¹⁴ Local Authorities, Joint Authorities, Police Authorities, National Park Authorities, the Broads Authority and following the Police Reform Act 2002, the London Fire and Emergency Planning Authority and a Fire Authority constituted by a combination scheme under the Fire Service Act 1947 (c.41).

Issues and challenges for London

5.3.10 The GLA has a very important role to play in delivering key services across the capital as a whole, such as transport, planning and the environment. It works closely with the London boroughs in the delivery of these services but there is no requirement in law for the GLA to take account of the impact that delivery of their services may have on crime and disorder. We believe that this anomaly should be addressed.

Proposal

5.3.11 We believe that there is now strong evidence for extending the provisions of section 17 of the Crime and Disorder Act to the GLA. This would allow the Authority to ensure that it, and its functional bodies – namely the GLA itself, the London Development Agency and Transport for London, (in addition to the MPA and LFEPa who already fall within the ambit of section 17) – mainstream crime and disorder and community safety into all aspects of their work.

Question

Q 36: We welcome comments as to whether section 17 of the Crime and Disorder Act should be extended to the GLA.

5.4 The London Fire and Emergency Planning Authority (LFEPa)

Current Arrangements

5.4.1 Currently LFEPa has 17 members, nine appointed by the Mayor from the London Assembly and eight appointed by him/her from nominees agreed between the 32 Boroughs and the City of London. This is similar to other Fire and Rescue Authorities (FRAs), all of which consist solely of elected local politicians; and like all of them LFEPa is required to have regard to the Fire and Rescue National Framework in carrying out its functions.

Issues and Challenges for London

5.4.2 LFEPa is responsible for an Integrated Risk Management Plan (the London Safety Plan) setting out how it will:

- reduce risks from fire through prevention and risk education
- respond operationally to fires, road traffic accidents and other emergencies
- promote fire safety through community initiatives and targeting vulnerable groups.

5.4.3 It faces a particular challenge ensuring the capital is resilient to terrorist attack as well as flooding and other major incidents.

- 5.4.4 Current arrangements appear to be working well. LFEPA has been at the forefront of the fire and rescue service modernisation agenda. The response to the terrorist attacks on 7 July 2005 was widely praised, while an ongoing commitment to day-to-day fire prevention and fire safety promotion has contributed to accidental domestic fire deaths in London falling by nearly 40% in 2004 (well ahead of the national drop of 23%).
- 5.4.5 However, the composition of the Authority itself does not take account of the mandate possessed by a city-wide elected Mayor, and limits the power of appointment of the Mayor to representatives from the Assembly and the London boroughs and Corporation of London. It does not give the Mayor scope to appoint those with experience in and knowledge of fire or resilience services, business, and matters relating to workers or issues relating to under-represented groups. Nor do current arrangements allow the Mayor to direct the Authority in any way – for example, by requiring them to improve their efficiency by sharing services with other functional bodies such as the Metropolitan Police Authority.

Options for Change

- 5.4.6 That the future composition of LFEPA remain at 17 members overall, but be re-configured to allow the Mayor to appoint 7 Assembly members, 6 nominees agreed between the 32 Boroughs and the Corporation of London and 4 further members – 3 to represent the interests of business, under-represented groups and LFEPA staff, and one specifically to champion London resilience. The latter would be appointed in consultation with the London Regional Resilience Forum (see paragraphs 6.3.3- 6.3.5).
- 5.4.7 That the Mayor be empowered to give LFEPA directions and guidance provided these are compatible with the Fire and Rescue National Framework and can be overridden by the Secretary of State if the latter considers them detrimental to national policies.

Potential Costs and Benefits

- 5.4.8 Allowing a wider stakeholder base may help build on LFEPA's success in engaging business in risk prevention, communicating to staff the vision of a modernised fire and rescue service and identifying and assisting those most at risk from fire – all with possible, though hard to quantify, benefits in reduced loss of life and property damage.

Question

Q 37: We welcome comments on the proposed approach.

Chapter 6

Roles and Relationships

- 6.01 This chapter considers roles and responsibilities within the GLA and between London's three tiers of government – national, regional and local.
- 6.02 The Mayor's proposals for changes in governance arrangements can be found at <http://www.london.gov.uk/mayor/powers/docs/governance.rtf>, and for changes to the role of the Government Office for London at <http://www.london.gov.uk/mayor/powers/docs/gol.rtf>.

6.1 The London Assembly

Current Arrangements – The Role of the Assembly

- 6.1.1 The role of the London Assembly is summarised in Chapter 2. Its prime duty is to hold the Mayor to account on London's behalf, to scrutinise his activities and monitor the performance of the other authorities and bodies in the GLA group. It can also scrutinise other issues of its choice which it considers to be of importance to London.
- 6.1.2 The Assembly also plays an important role in setting the Authority's strategic priorities. It has the power to amend the Mayor's draft budget by a two-thirds majority, and the Mayor must consult the Assembly and the functional bodies before other interested parties in preparing each of his statutory strategies (or any changes to those strategies) and when making appointments to the LDA Board. The Assembly is also responsible for appointing the staff of the Authority, after consultation with the Mayor, except twelve members of staff which the Mayor is permitted to appoint.
- 6.1.3 As we explained in the previous section, Assembly members play an important role as members of the MPA and LFEPA, and make up the majority of members of both authorities. Assembly members cannot sit on the Board of Transport for London but the Mayor has discretion to appoint Assembly members to the Board of the London Development Agency.

Issues and Challenges

- 6.1.4 We believe that the GLA model, a powerful elected Mayor and an Assembly holding him to account, works well, and do not propose to make fundamental changes to the balance of the relationship. There is however scope to consider possible changes to the powers and responsibilities of the Assembly that build on its existing role and help sharpen its scrutiny function.
- 6.1.5 This consultation exercise explores in particular two possible areas for broadening the Assembly's role: its ability to influence the preparation and review of Mayoral strategies and whether its role in examining London issues should be underpinned by powers to scrutinise specific London-wide bodies outside the GLA group, whilst retaining its focus on scrutiny of the Mayor. The arguments for and against change are finely balanced and are discussed in detail below. We welcome views on the most appropriate package of additional powers to enable the Assembly to build on its achievements to date and ensure its continued effectiveness.

Options for Change

The Assembly Role in Policy Development

- 6.1.6 The Mayor is required to produce eight statutory strategies setting the strategic direction for London (these are listed earlier at paragraph 2.06), and has also produced a number of non-statutory strategies. The Mayor is required to consult the Assembly and four functional bodies before consulting publicly when preparing or reviewing his statutory strategies.
- 6.1.7 The Government would like to examine the scope to develop the Assembly's role in policy development. There are two possible changes we would like to explore.
- 6.1.8 First, placing an explicit duty on the Mayor to have regard to Assembly responses to consultation. The GLA Act does not require the Mayor to do so. Whilst it is reasonable to expect that the Mayor would have due regard to the Assembly's views, it may strengthen the Assembly's role in the preparation of, or revision to, statutory strategies if the Mayor is obliged to consider its comments.
- 6.1.9 Second, giving the Assembly the power to block a Mayoral strategy, or a revision to it, by a two-thirds majority. The Assembly would be able to prevent the implementation of a Mayoral strategy if two-thirds of Assembly members opposed it¹⁵. The Assembly would be required to decide whether or not to block within a prescribed time period to ensure no undue delay to strategy development. This proposal would give the Assembly much greater influence over the Mayor's development of policy than it currently has, and could improve the process of policy setting by requiring the Mayor to take account of Assembly concerns when preparing or reviewing a strategy.
- 6.1.10 This change would help define two clear areas of interest for the Assembly: scrutiny and influencing Mayoral policy and priorities. It would extend into policy setting the model established by the GLA budget, where the Assembly has the power to amend the Mayor's draft budget by a two-thirds majority. But it also risks slowing down the process of strategy development and review unless the Mayor and Assembly are able to agree.
- 6.1.11 The Mayor has suggested rationalising the consultation process summarised in paragraph 6.1.6 into a single-stage consultation. Under his proposal he would consult the Assembly and functional bodies at the same time as consulting more widely, rather than before. The Mayor argues this would provide a shorter, more efficient process whilst ensuring the full participation of the Assembly is retained. The Government is unconvinced by the case for change. The current arrangements allow the Assembly and functional bodies to input their views before the Mayor circulates his strategies more widely, and ensures all parts of the GLA group have the opportunity to contribute to the strategy's preparation.

Extending the Assembly's Scrutiny Role

- 6.1.12 The Assembly examines a wide range of London-wide issues but focuses on holding the Mayor to account. It has the power to summon senior members of staff of the GLA or the four functional bodies; anyone who has been chairman or a board

¹⁵ We would need to give particular thought to this proposal in respect to the London Plan, which has a specific statutory process of approval.

member of one of the functional bodies within the preceding three years; or anyone who has had a contractual relationship with, or received a grant from, the GLA in the previous three years.

- 6.1.13 There may be scope to develop further the Assembly's role in terms of London-wide scrutiny, empowering it to review pan-London public services not accountable to the Mayor, and scrutinise the activities of the organisations that provide them. The Assembly's role, and the organisations and services concerned, would need to be carefully defined to avoid confusion and duplication with other forms of audit and scrutiny.
- 6.1.14 The Government is clear that the Assembly's prime duty should remain holding the Mayor to account, and would need to be certain that any extension to its scrutiny role would not affect its ability to do so. It would also be important to be clear about the purpose of a review, and who should be responsible for considering any recommendations made by the Assembly.
- 6.1.15 To make such scrutiny effective, the Assembly might need powers to summon representatives of the relevant organisations to discuss the service under scrutiny and to require them to produce documents requested by the Assembly. These powers could be framed in a similar way, and have similar safeguards, to the Assembly's existing powers to summon described above.

Appointing GLA Staff

- 6.1.16 The GLA Act 1999 allows the Mayor to appoint up to two political advisors and up to ten other members of staff. The Assembly is responsible for appointing all other GLA staff. Most functions of the GLA rest with the Mayor, and the vast majority of GLA staff therefore work to the Mayor having been appointed by the Assembly.
- 6.1.17 The Mayor has proposed that the current arrangements are changed so that the Mayor and Assembly each appoint their own staff. Such an arrangement would include appropriate safeguards to ensure equality of opportunity, and could allow the Assembly to scrutinise specified, senior appointments made by the Mayor. The Mayor and Assembly could also agree joint arrangements for making some appointments, including the statutory appointments of the Head of Paid Service, the Monitoring Officer and Chief Finance Officer, and staff appointments to GLA teams providing shared support services.
- 6.1.18 The Government is keeping an open mind on the Mayor's proposal, and will consider it carefully alongside any other proposals for change that may be put forward.

Questions

- Q 38: Should the Mayor be subject to an explicit duty to have regard to Assembly responses to consultation?***
- Q 39: Should the Assembly have a strengthened role in preparing or revising Mayoral strategies, whereby it could block implementation by a two-thirds majority?***

Q 40: *Should the Assembly's scrutiny role be extended to London-wide bodies that are not directly accountable to the Mayor. If it should, which bodies could be subject to Assembly scrutiny, and should the Assembly be able to summon representatives of those bodies to appear before it?*

Q 41: *Are there broader implications for extending the Assembly's scrutiny role that should be considered? Please specify.*

Q 42: *Do you agree that there is a case for changing the current arrangements for appointing GLA staff. If you do, what system do you favour?*

6.2 The London Boroughs & Corporation of London

6.2.1 The GLA Review has concentrated on the case for additional powers and responsibilities for the Mayor and Assembly, and on the potential to devolve powers from Whitehall to London. It has not examined in detail the relationship between the GLA and the London boroughs and has looked at options for transferring functions from boroughs to the GLA only where there is a strong case that delivery would be improved at the strategic, city-wide level.

6.2.2 Local government – in London the 32 boroughs and the City of London – takes a pivotal position in managing the delivery of local services by tailoring or joining up services to meet local needs. At the national level, the Lyons review of local government functions and finance and ODPM's local:vision debate on strengthening local government's strategic role is summarised in chapter 3. The GLA plays a vital role in supporting many local services by setting the strategic framework for their delivery in London. We are clear of the need to maintain the clear distinction in roles between the GLA and the boroughs; for the GLA to focus on London's strategic direction, drawing together the capital's key economic, social and environmental drivers, and for the boroughs to lead locally and champion local needs.

6.2.3 The Government acknowledges the need to explore further the case for strengthening the boroughs' powers in order to fulfil their local leadership role. One policy area we are currently looking at is local policing.

6.2.4 We recognise that the London boroughs are becoming more engaged with policing at the local level, working closely with the Metropolitan Police Service. We welcome this closer engagement, and are considering how existing arrangements can be enhanced to further strengthen local accountability in the wider, national context of the move towards strategic forces.

6.2.5 Separately, we are developing proposals at the national level for new powers to enable local people to secure a response from the police and their partners to a community safety issue that has not been adequately addressed, based on suggestions in the *Building Communities, Beating Crime* White Paper. We are clear local authorities, and particularly ward councillors, will play a key role in the process. We will publish firm proposals on both these initiatives once our thinking is more fully developed.

6.2.6 We also explain at paragraph 4.6.15 how aspects of joint work between London boroughs and PCTs could be built up as the commissioning role of PCTs is strengthened.

6.3 Central Government in London and the Role of Government Office for London (GOL)

- 6.3.1 The Terms of Reference for the Review explained the need for an appropriate balance of powers between National Government, the regional, city-wide tier and local authorities (the London boroughs and Corporation of London). The Government is clear that, where appropriate, London-specific functions should be devolved to the appropriate level where it can be demonstrated that this would improve the delivery of services and quality of life for Londoners.
- 6.3.2 We are also clear of the need for Government and the GLA to continue to work together in partnership on a range of policies and services where there is both a national and a London-specific interest. One area where this approach works well is resilience.

London Resilience

- 6.3.3 London has comprehensive structures and plans for dealing with major and catastrophic emergencies. The London Regional Resilience Forum is the body that oversees work on London resilience. It is composed of senior officers representing the main emergency organisations and key sectors within the partnership. It is chaired by the Rt Hon Phil Woolas MP in his role as Minister for London Resilience and the Deputy Chair is the Mayor of London, Ken Livingstone. This provides co-ordination between national, regional and local levels.
- 6.3.4 The Forum has ensured the development of plans and procedures across the capital to respond to a wide range of events. These include plans on command and control, large scale evacuation, site clearance and dealing with mass fatalities.
- 6.3.5 The response to the London bombings showed the benefits of the well-prepared and well practiced plans that were in place to help the capital respond to such an incident. The Forum and its sub-committees and working groups are supported by the London Resilience Team, which is based in the Government Office for London. It has a core of civil servants, which ensures strong links into Central Government, but most of its members are specialists seconded from partner organisations to provide a unique combination of expertise.

Government Office for London

- 6.3.6 Government Offices (GOs) represent national Government in the nine English regions, including London, and the interests of ten¹⁶ Whitehall Departments. They are the primary means by which a wide range of Government policies and programmes are delivered in the regions and ensure the regional perspective is fed back into Whitehall.
- 6.3.7 The Government Office for London (GOL) is national Government's voice in the capital. It had a programme budget of some £3 billion in 2004/05, of which the majority, over £2.5 billion, is grant given to the GLA, TfL and the LDA. In addition to working in partnership with the GLA and London boroughs, GOL directly administers

¹⁶ The Departments are the Office of the Deputy Prime Minister; Department for Education and Skills; Department of Trade and Industry; Department for Environment, Food and Rural Affairs; Home Office; Department for Culture, Media and Sport; Department for Work and Pensions; Department for Transport; Department of Health; and Cabinet Office.

a wide range of Government programmes including European programmes, neighbourhood renewal programmes and a range of anti-crime and drug prevention programmes. It also represents the regional interests of the Secretary of State directly in a number of key policy areas, including planning.

6.3.8 The 2004 Pre-Budget report announced that HM Treasury would work with ODPM and other Government Departments to review ways of improving the efficiency and effectiveness of the Government Office network. The Review's final report will be published around the turn of the year; its emerging proposals include:

- A more focused role for the Government Offices in working with local partners on performance and the oversight of regional strategies;
- A transformed and more strategic Government Office Network, including a higher proportion of staff with professional skills and delivery experience; and
- A smaller, more focused network in the years to come, building on the challenging efficiency agenda for the Government Office Network set in the 2004 Spending Review.

6.3.9 Underpinning these emerging proposals is Government Offices' new lead role in negotiating Local Area Agreements (LAAs – see Chapter 3), providing local partners with a single point of contact with national Government with which to take forward negotiations.

6.3.10 In the London context, we are clear that there is an important, strategic role for GOL to play on behalf of national Government in the capital. We do not expect the GLA Review to have a major effect on the functions or size of GOL, but the GO Review will lead to GOL becoming smaller and more strategic.

Chapter 7

Conclusion

- 7.1 This consultation paper sets out our views on additional powers and responsibilities for the Mayor and Assembly, identifies options for change, asks a number of questions and invites comments and responses to them. Now it is your turn. We want Londoners, London organisations and others with an interest or expertise to offer to give their views and ideas about what, if any, additional powers and responsibilities the Mayor and Assembly should have.
- 7.2 Please send your comments and responses to **‘The GLA Review’ at the Office of the Deputy Prime Minister, 10th Floor, Riverwalk House, 157-161 Millbank, London SW1P 4RR by 22 February 2006, or email your contribution to gla.review@odpm.gsi.gov.uk by the same date.**

ANNEX A

Summary List of Questions

Housing

- Q 1:** *Should the Mayor be able to decide the allocation of the affordable housing portion of the Regional Housing Pot? If so, what would be the benefits?*
- Q 2:** *Would there be benefits in the London Housing Strategy becoming a statutory strategy, and does having a statutory strategy raise any difficulties?*
- Q 3:** *Should further options be explored? If so, what should these be?*

Learning and Skills

- Q 4:** *Do you consider that there is a case for change to current arrangements for learning and skills in London?*
- Q 5:** *Do you agree that the Mayor should have a greater say over learning and skills in London? If you do, which option (or series of options) do you favour?*
- Q 6:** *What greater flexibilities are possible within the current organisational context? How can the GLA make best use of current mechanisms for strategic influence?*
- Q 7:** *What would the benefits of change be to learners and/or employers? Do those benefits outweigh any risks of destabilising learning and skills provision?*

Planning

- Q 8:** *Is there evidence from the operation or delivery of the planning system in London to justify fundamental change to the current arrangements?*
- Q 9:** *Do consultees have other suggestions, beyond those set out in this paper, on how the efficiency and effectiveness of the strategic planning process in London can be improved?*
- Q 10:** *For each of the options, would the changes proposed lead to a demonstrable improvement in the performance and delivery of regional planning and consequent local planning activity in London?*
- Q 11:** *For each of the options, would there be an acceptable impact upon democratic accountability of decision making; would there be adverse consequences for the delivery of national policy; and would there be any adverse consequences for adjoining regions?*
- Q 12:** *Are safeguards needed (such as an increased role for the Assembly) to ensure accountability, consistency, fairness and propriety if the Mayor is given powers to decide planning applications and/or direct changes to Local Development Documents and Local Development Schemes? If so, what safeguards would be required?*

Q 13: *How should the Mayor's promotional and decision making roles be reconciled under options a) and b)?*

Q 14: *Should the Mayor be consulted on a statutory basis on planning applications outside London that impact on the capital, and how would these be defined?*

Q 15: *Should the Mayor be a statutory party to negotiations on Section 106 agreements associated with strategic applications and what would the implications be for the use of Section 106 income, or the mitigation of local impacts arising for development proposals (setting aside the changes to planning obligations foreshadowed in Budget 04 as a result of the Barker review)?*

Waste Management and Waste Planning

Q 16: *What, if any, is the case for change to current waste disposal and waste planning arrangements in London, taking into account:*

- a. Experience since the GLA came into being;*
- b. The changes arising from the planning reform agenda and updated planning policy on waste management; and*
- c. Options for enhancing the Mayor's planning powers detailed by options in the planning section?*

Q 17: *Are there powers that could be given to the GLA, disposal authorities or planning authorities that would enable the current structure to work better?*

Q 18: *If you consider there is a case for change, what is your preferred option for waste management and waste planning (including any options not covered in this section), and what are your views on the risks and benefits of:*

- a. the range of options outlined above;*
- b. specifically, the Mayor's proposal.*

Q 19: *If a Single Waste Authority of some kind is established, what type of governance structure should it have (e.g. modelled on TfL, the LDA, LFEPA or the ALG Transport and Environment Committee) and why?*

Q 20: *In respect of waste planning:*

- a. Would London be better equipped to achieve more sustainable waste management if disposal and planning responsibilities are met within the same organisation; at the same geographic scale; or both?*
- b. Should the Mayor be given powers to allocate sites for new waste facilities and make development control decisions?*
- c. If so, are safeguards needed (such as an increased role for the Assembly) to ensure accountability, consistency, fairness and propriety? What might these be?*

Q 21: Are transitional arrangements required with any of the options set out for waste management and/or waste planning, and if so what are they?

Q 22: What is the optimal geographic scale (i.e. borough-level; sub-regional level; or pan-London level) for:

a. Procurement of collection and disposal infrastructure; and

b. Management of collection and disposal operations?

Q 23: What governance, operational or procurement links should be made between collection and disposal? Why?

Q 24: How can the sustainable management of London's non-municipal waste streams be assured? To what extent could management of municipal and non-municipal wastes be combined? And how could this be achieved?

Culture, Media and Sport

Q 25: Should the GLA be responsible for appointing Chairs and board members of London cultural bodies?

Q 26: Should the GLA be consulted on cultural NDPBs' national strategies, (including plans for spending) as they are developed, and should London cultural bodies consult the GLA on the development of their regional strategies?

Q 27: Should the GLA consult London cultural bodies on the development of the Mayor's Cultural Strategy?

Public Health

Q 28: Should the Mayor be given further powers relating to health improvement, building on the existing responsibility to take the health of Londoners into account and to improve their health, and if so, what would these be?

Energy

Q 29: Should the Mayor be subject to a clear statutory responsibility to produce an energy strategy for London? If you agree that he should, what more if anything does the GLA need to help deliver it?

Water

Q 30: Do you agree that the Government should have a new duty to have regard to the Mayor's Water Action Framework when it frames its guidance to regulators in preparation for a review of water price limits?

Sustainable Development

Q 31: Are the Mayor's current range of powers consistent with his existing statutory duty on sustainable development (e.g. is there a case for strengthening his existing powers to take account of climate change)?

TfL

- Q 32:** *Do you agree the proposals for section 163 consent to be via letter rather than by an order, and for the other minor regimes to be passed to the Mayor?*
- Q 33:** *Should political representatives, other than the Mayor of London, be able to sit on the TfL Board?*

The LDA

- Q 34:** *If London receives European funding during the 2007-13 round of European programmes, do you consider the Government Office, the GLA or another body best placed to run the programme?*

The MPA

- Q 35:** *We welcome comments on the proposed changes to arrangements for policing accountability.*
- Q 36:** *We welcome comments as to whether section 17 of the Crime and Disorder Act should be extended to the GLA.*

The LFEPA

- Q 37:** *We welcome comments on the proposed changes to arrangements for making appointments to LFEPA and to empower the Mayor to give the Authority direction and guidance.*

The London Assembly

- Q 38:** *Should the Mayor be required to have regard to Assembly responses to consultation?*
- Q 39:** *Should the Assembly have a strengthened role in preparing or revising Mayoral strategies, whereby it could block implementation by a two-thirds majority?*
- Q 40:** *Should the Assembly's scrutiny role be extended to London-wide bodies that are not directly accountable to the Mayor. If it should, which bodies could be subject to Assembly scrutiny, and should the Assembly be able to summon members and officers from those bodies to appear before it?*
- Q 41:** *Are there broader implications for extending the Assembly's scrutiny role that should be considered? Please specify.*
- Q 42:** *Do you agree that there is a case for changing the current arrangements for appointing GLA staff. If you do, what system do you favour?*

ANNEX B

Abbreviations Used In The Text

ACE	Arts Council England
ALG	Association of London Government
BOA	British Olympic Association
DCMS	Department for Culture Media and Sport
DfES	Department for Education and Skills
DH	Department of Health
DPA	Data Protection Act
DPDs	Development Plan Documents
DTI	Department for Trade and Industry
DWP	Department for Work and Pensions
EDS	Economic Development Strategy
ESOL	English for Speakers of Other Languages
EU	European Union
FE	Further Education
FOIA	Freedom of Information Act
FRAs	Fire and Rescue Authorities
GDP	Gross Domestic Product
GLA	Greater London Authority
GLC	Greater London Council
GOL	Government Office for London
GP	General Practitioner
HMT	Her Majesty's Treasury
IOC	International Olympic Committee
IPA	Initial Performance Assessment
JCP	Job Centre Plus
LA	Local Authority
LAAs	Local Area Agreements
LATS	Landfill Allowance Trading Scheme
LDA	London Development Agency
LDF	Local Development Framework

LDS	Local Development Schemes
LEP	London Energy Partnership
LEPC	London European Programme Committees
LFEPA	London Fire and Emergency Planning Authority
LSC	Learning and Skills Council
LSPs	Local Strategic Partnerships
MISC 26	Ministerial Committee on London
MPA	Metropolitan Police Authority
MPS	Metropolitan Police Service
MWMS	Municipal Waste Management Strategy
NDPBs	Non Departmental Public Bodies
NHS	National Health Service
ODPM	Office of the Deputy Prime Minister
PCT	Primary Care Trust
PSA	Public Service Agreement
QCA	Qualifications and Curricula Authority
RDA	Regional Development Agency
RSP	Regional Skills Partnerships
SDS	Spatial Development Strategy for London
SHA	Strategic Health Authorities
SPD	Supplementary Planning Document
SWA	Single Waste Authority
TfL	Transport for London
UDP	Unitary Development Plan

ANNEX C

The Consultation Criteria

The Government has adopted a code of practice on consultations. The criteria below apply to all UK national public consultations on the basis of a document in electronic or printed form. They will often be relevant to other sorts of consultation.

Though they have no legal force, and cannot prevail over statutory or other mandatory external requirements (e.g. under European Community Law), they should otherwise generally be regarded as binding on UK departments and their agencies, unless Ministers conclude that exceptional circumstances require a departure.

- 1. Consult widely throughout the process, allowing a minimum of 12 weeks for written consultation at least once during the development of the policy.**
- 2. Be clear about what your proposals are, who may be affected, what questions are being asked and the timescale for responses.**
- 3. Ensure that your consultation is clear, concise and widely accessible.**
- 4. Give feedback regarding the responses received and how the consultation process influenced the policy.**
- 5. Monitor your department's effectiveness at consultation, including through the use of a designated consultation co-ordinator.**
- 6. Ensure your consultation follows better regulation best practice, including carrying out a Regulatory Impact Assessment if appropriate.**

The full consultation code may be viewed at:

www.cabinet-office.gov.uk/regulation/Consultation/Introduction.htm

Are you satisfied that this consultation has followed these criteria? If not, or you have any other observations about ways of improving the consultation process please contact

Adam Bond, ODPM Consultation Co-ordinator, Room 2.19, 26 Whitehall, London, SW1A 2WH;
or by e-mail to: **adam.bond@odpm.gsi.gov.uk**

ANNEX D

Partial Regulatory Impact Assessment

1. Purpose and Intended Effect of Measure

Objective

- 1.1 The Government is reviewing the powers and functions of the Greater London Authority (GLA), and especially those of the Mayor of London. The objective of the review is to identify additional powers and responsibilities that can be devolved to the Authority in order to improve the strategic delivery of public services in the capital, and the lives of Londoners.

BACKGROUND

- 1.2 The GLA was established by the Greater London Authority Act 1999 and the first GLA elections took place in 2000. The Authority comprises a Mayor and an Assembly made up of 25 members. The GLA is a focussed and strategic authority with 3 principle purposes. These are to promote economic development and wealth creation; to promote social development and to promote the improvement of the environment. The Mayor also oversees four functional bodies with responsibilities for service delivery in particular sectors. They are:

- Transport for London (TfL), managing London's tube and bus systems, and a network of strategic roads;
- The London Development Agency (LDA), the regional development agency for London, responsible for the capital's economic development;
- The Metropolitan Police Authority (MPA), which oversees the work of the Metropolitan Police Service; and
- The London Fire and Emergency Planning Authority (LFEPA), London's fire and rescue authority.

- 1.3 London is a city-region with unique governance arrangements. The Mayor provides strategic direction for London, primarily through his eight statutory strategies covering transport, economic development, spatial development (planning and land use), culture, municipal waste management, biodiversity, noise and air quality.

- 1.4 The Government committed to reviewing the powers and responsibilities of the Mayor and Assembly in its 2005 manifesto.

Rationale for government intervention

- 1.5 The Government believes that the GLA has been a success, providing a voice for London and making a real and positive difference to the capital and to the quality of life of all Londoners. It considers that the Mayor and Assembly have a pivotal role to play in ensuring London's continued success, and that it is crucial we have in place the right governance arrangements to meet the capital's strategic challenges over the longer term.

- 1.6 The Government believes now is the time to explore whether giving additional powers and responsibilities to the GLA in key strategic services would help meet those challenges and help to underpin the Mayor's strategic leadership of London. The GLA review is being informed by the following principles, as expressed in its terms of reference:
- the GLA should remain a focused and strategic authority, as originally conceived, rather than becoming a major service delivery agent;
 - there should be an appropriate balance between national government, the regional tier and local authorities;
 - the review is to focus on the role of the GLA rather than on governance structures as a whole or the role of the London boroughs. It should, however, consider the arguments for giving the GLA additional responsibilities for strategic issues which cross borough boundaries.
- 1.7 Decisions on devolving further powers to the Authority will be made against key criteria, including whether a change will improve integrated decision making; whether the function will be undertaken at the right tier of government and is delivered at the right scale; and whether the delivery of the function is subject to the appropriate level of democratic accountability.
- 1.8 The Government's consultation document sets out proposals for additional powers for the Mayor in the areas of housing, learning and skills, planning, waste management and waste planning, the arts and culture, public health, energy, water and sustainable development. It also explores options for additional powers and responsibilities for the Assembly, and reviews arrangements for appointments to the boards of the functional bodies, and proposes some changes to their functions.
- 1.9 Following consultation, Ministers will decide on a final package of measures for implementation.

2. Consultation

Within government

- 2.1 ODPM Ministers and officials have consulted widely across Whitehall in preparing proposals for consultation. These Departments include:
- Department for Culture Media and Sport (DCMS)
 - Department for Education and Skills (DfES)
 - Department for Environment Food and Rural Affairs (DEFRA)
 - Department of Health (DH)
 - Department of Trade and Industry (DTI)
 - Department for Transport (DfT)
 - Government Office for London
 - Home Office
 - HM Treasury

Public consultation

- 2.2 In preparing proposals, ODPM Ministers and officials have met a wide range of London stakeholders to seek their views. Ministers also hosted a seminar of key London stakeholders on 30 September to discuss the proposals. The following stakeholders have been consulted:
- Association of London Government
 - Black Londoners Forum
 - Commissioner of the Metropolitan Police Service
 - Confederation of British Industry (CBI)
 - London Assembly
 - Learning and Skills Council
 - London Chamber of Commerce and Industry
 - London First
 - London Housing Federation
 - London MPs
 - London Regional Learning & Skills Council
 - London Remade
 - London Voluntary Service Council
 - London Waste Action
 - Mark Sandford, Constitution Unit, University college of London
 - Mayor of London
 - National Employment Panel
 - North London Waste Authority
 - Professor Stephen Glaister, Imperial College, London
 - Professor Tony Travers, London Study Group, LSE
 - Professor Vernon Bogdanor, Brasenose College, Oxford
 - Race on the Agenda
 - Southern and Eastern TUC
 - St George's – Housebuilder
- 2.3 The stakeholder consultation has proved crucial in helping to firm up the proposals presented in the consultation document. The Government has also worked closely with the GLA, and in particular officials from the Mayor's office, in taking forward the proposals. The public consultation will allow anyone living, working, or with an interest, in London to have their say.

3. Options

3.1 Housing

3.1.1 There are two options for change:

3.1.2 **Option A:** Transfer the responsibilities of the London Housing Board, currently chaired by GOL, to the Mayor. This would mean the Mayor would assume responsibility for writing the London Housing Strategy and making recommendations to Government for the distribution of the Regional Housing Capital Allocations (or “Regional Housing Pot”). This option is consistent with Ministers’ current plans to transfer the functions of regional housing boards in all regions to the regional tier, and can be considered the “baseline” option (i.e. it will happen, irrespective of the outcome of consultation).

3.1.3 **Option B:** In addition to the responsibilities transferred under Option A, the Mayor would make decisions on the affordable housing portion of the Regional Housing Pot. This could be combined with appropriate reserve powers for the Secretary of State. This change would be unique to London.

Benefits, Risks and Costs

3.1.4 **Option A** is consistent with the Government’s approach to devolve functions to the appropriate tier of Government. The GLA is already represented on the London Housing Board, which is currently chaired by the Regional Director of the Government Office. It would be for the Mayor to decide how to write the London Housing Strategy and make recommendations to Ministers, but in practice we would expect him to continue with similar arrangements to now once he has assumed responsibility.

3.1.5 This option is consistent with Ministers’ current plans to transfer the functions of the Regional Housing Boards in all regions to the regional tier. This is particularly relevant for bordering regions of the South East and East of England, whose housing markets are closely linked with London’s. The change would mean closer co-ordination between London’s Regional Housing Strategy and Regional Spatial Strategy (the “London Plan”) and other strategies for which the Mayor already has responsibility, notably those for London’s economic development and transport.

3.1.6 **Option B** would mean the Mayor making decisions on the affordable housing portion of the Regional Housing Pot, rather than making recommendations for decision by Ministers. This proposal would involve a greater degree of devolution to the Mayor, and would fit well with other proposals being consulted on – notably planning. It would give the Mayor significant additional powers in deciding the type and location of affordable housing investment in London. But it could risk creating difficulties in the event of a poor fit between central Government and Mayoral objectives.

3.1.7 Placing the Housing Strategy on a statutory footing would ensure it had a similar status to the Mayor’s other statutory strategies, but would mean a different approach in London compared to the rest of the country.

3.1.8 Both options involve an administrative transfer of responsibilities from central Government to the Mayor, and should be broadly neutral in terms of costs. For option B, we would expect the transfer of resources for up to two posts from GOL to the GLA.

3.1.9 Sector and Groups affected: The changes would impact on housing providers and stakeholders in the capital, notably the Housing Corporation and the London boroughs. The extent of impact will depend on whether option A or option B is implemented.

3.2 Learning and Skills

3.2.1 The proposals focus on providing the Mayor with a strengthened role in influencing the strategy for learning and skills in London.

3.2.2 Post-16 education and skills across England is managed and funded by the Learning and Skills Council. The LSC's responsibilities include:

- Identifying national and local learning and skill needs;
- Setting and implementing strategies and plans for meeting those needs;
- Driving up demand for learning and skill from individuals and employers;
- Advising the Government on the post 16 National Learning Targets;
- Securing progress towards the post-16 Targets (jointly with the Higher Education Funding Council for England on the level 4 target), and
- Planning, funding and securing higher standards in Further Education; school sixth forms (from 2002); workforce development; adult and community learning; work-based training for young people; Education Business Links for young people including all children of compulsory school age; and Information, Advice and Guidance for Adults on learning and skills.

3.2.3 The LSC has a national, local and, more recently, regional structure. Its purpose and responsibility is to deliver national targets and programmes consistently and equitably across the country, and respond to regional economic development priorities. The organisation operates through a network of 47 local Learning and Skills Councils, whose non-executive Boards have a preponderance of employers, and employer Chairs. In London there are currently five (North, South, East, West, and Central) which together cover the same geographical area as the Greater London Authority. There is also a Regional Director for London.

3.2.4 The consultation paper sets out options for greater engagement by the Mayor in the development of learning and skills in London, including exploiting the potential of the recently established Regional Skills Partnership for London; GLA involvement in and representation on the LSC's regional board in London; the Mayor acting as champion for learning and skills in London; consultation with the Mayor on the LSC's strategies in the capital; development of a new London employer board chaired by the Mayor; and the Mayor's preferred option of a single, London-wide LSC as a functional body of the GLA and thereby accountable to him.

Benefits, Risks and Costs

- 3.2.5 The key benefits of strengthening Mayoral involvement would be to encourage closer working between the LSCs and the Mayor's functional bodies, especially the LDA, thereby creating a stronger emphases between learning and skills and economic development and regeneration; encouraging a balancing of national and regional priorities; and increasing the democratic accountability for learning and skills in London.
- 3.2.6 The main risks of a change to Mayoral control of learning and skills in London include the possibility of inconsistency with new arrangements nationally for 14-19 education as outlined in the recent Schools White Paper; structural change diverting attention and energy from improving quality and achievement for learners; potential destabilising of learning and skills provision; and the possibility that the Mayor would emphasise regional targets and approaches at the expense of the Government's national strategy and targets.
- 3.2.7 Overall costs again depend on the extent of change. The costs of greater Mayoral engagement without him assuming control of the LSC would not be significant. The transitional and set up costs of the Mayor assuming control of the LSC would be far greater and would need to be quantified in detail should we wish to take forward this option following consultation.
- 3.2.8 Sectors and Groups affected: The main stakeholders would be the LSCs themselves, further education colleges and other skills providers in the capital. The specific impact would depend on which option is taken forward.

3.3 Planning

- 3.3.1 The Government has identified three broad options for change: one that provides significant additional powers to the Mayor; one that offers more limited new powers; and one of minimal change.
- 3.3.2 The significant additional powers option would mean the Mayor assuming powers to:
- Direct boroughs to amend their Local Development Schemes (LDSs), and sign off schemes;
 - Direct boroughs' Development Plan Documents (DPDs) to ensure consistency with the London Plan; and
 - Make him the development control authority for a defined class of application or in relation to defined strategic sites.
- 3.3.3 Under the more limited new powers option, the Mayor would:
- Direct on LDSs and DPDs in relation to defined strategic issues; and
 - Have powers to direct refusal or approval for defined categories of strategic application.

3.3.4 Both options will require primary legislation to implement. The minimal change option would involve modifications to current arrangements rather than fundamental changes.

Benefits, Risks and Costs

- 3.3.5 The proposals would give the Mayor, who is responsible for setting the strategic direction of London, responsibility for ensuring local conformity with strategic policy, and would help ensure that the plans produced by the boroughs are consistent with the strategic policies set out in the London Plan. They would also enable him to ensure strategic development conforms to that plan by either being a strategic planning authority for specified types of application or being able to approve strategic applications boroughs are minded to refuse (at present he is able only to refuse specific types of strategic application).
- 3.3.6 Risks include the possibility of conflict if the Mayor is unable to effectively separate his role of promoting development from his role in making decisions on strategic planning applications. Changes may also lead to a poor fit between central Government and Mayoral priorities, and/or a more adversarial relationship between the Mayor and individual London boroughs, and a possible loss or overriding of local views.
- 3.3.7 The direct costs and benefits are difficult to identify at this stage, and would depend in part on the nature of any additional Mayoral powers and the extent to which the Mayor chose to exercise them. Most of the proposals would require primary legislation to implement. Making the Mayor a local planning authority would cost more than other options as new GLA staff will be required to handle the whole process of determining planning applications.
- 3.3.8 Sector groups affected would include: the London boroughs and anyone with an interest in strategic planning in the capital. Proposals in relation to development control are likely to impact on the capital's major developers and, indirectly, the construction industry.

3.4 Waste Management and Waste Planning

- 3.4.1 The consultation presents options for change from the current system for waste management in London. These arrangements are:
- All thirty-two boroughs and the Corporation of London are individually responsible for waste collection;
 - The Corporation of London and eleven of the thirty-two London boroughs are also individually responsible for the disposal of waste;
 - The remaining twenty-one boroughs are arranged into four statutory joint waste disposal authorities responsible for the disposal of municipal waste for their constituent boroughs. Each statutory joint waste disposal authority is led by a committee of Councillors from its constituent boroughs;
 - Each of the thirty-two London boroughs and the Corporation of London are Waste Planning Authorities in their own right.

3.4.2 The Government has identified three options for change:

Option 1: A single waste authority for London, accountable to the Mayor as a functional body of the GLA;

Option 2: A single London-wide authority that is not accountable to the Mayor, with a representative from each borough sitting on the Committee and, possibly, a representative of the Mayor;

Option 3: An extension of the current joint arrangements in some parts of London so that all waste disposal arrangements in the capital are sub-regional.

3.4.3 There is also a “do nothing” option (Option 4) where the waste management structure in London would remain the same.

3.4.4 There are also five options on waste planning:

- Option A: The Mayor would be responsible for planning all waste streams in London, with powers to identify specific sites, undertake development control functions and compulsorily purchase land;
- Option B: A single London-wide, statutory waste planning authority with the same powers;
- Option C: Statutory sub-regional, joint waste planning authorities with the same powers;
- Option D: Do nothing. The boroughs would remain responsible for planning all waste streams in London; or
- Option E: The Mayor's existing planning powers are enhanced.

3.4.5 Although the two issues of managing municipal waste and planning for all waste are separate, they are closely related. The review will consider where these functions and responsibilities best lie, and whether there should be any changes in the balance of powers to improve the current situation.

Benefits, Risks and Costs

3.4.6 The current arrangements for waste management in London can create artificial boundaries and be a barrier to joint working and delivery. Some local authorities operate independently. This can be confusing to the public and affect participation, as well as failing to take advantage of the potential benefit, including more efficient use of resources and expertise, to be gained from a joint approach to strategic planning, procurement and operations.

3.4.7 Based on the CIPFA returns compiled by the GLA, the total municipal waste management costs for London for 2002/3 were of the order of £497 million, of which approximately 21% are overhead costs in relation to service development, management, support and capital charges, with 79% going to contracted out or in-house direct costs of service provision.

- 3.4.8 Research undertaken in 2005 by the GLA estimated approximately 40% of waste management costs were spent on disposal activities. However, it is estimated that only 9% of total management and supervisory staffing is directed to waste disposal. This is approximately 70 waste disposal staff over all of London. Current capital investment expenditure is very low, but whatever the administrative structure of waste management in future this will rise significantly over the next decade in order to meet national commitments and international obligations. London accounts for some 15% of England's waste and a failure to achieve targets in London would put England at much greater risk of incurring penalties for non-achievement of obligations under the Landfill Directive.
- 3.4.9 The Government believes the current arrangements are not delivering against targets and there is scope for procurement and operational efficiencies. Options for change are set out at paragraph 3.4.2 – Options A and B both provide for a regional model of delivery; Option C provides for the current sub-regional arrangements in some parts of London to be extended city-wide. The Government has no preference as to the way forward, and will look carefully at all options, including maintaining the status quo (but with improvements in efficiency).
- 3.4.10 There are currently no robust or accurate costs available for implementing the options for change, but we would anticipate significant cost savings under any of the three options. In terms of set-up, establishing a single waste authority for London – whether accountable to the Mayor or borough-led – is likely to be much more expensive than extending sub-regional arrangements to all boroughs. A single waste authority is however likely to have greater economies of scale over the longer term. Clearly there would be no set up costs in maintaining the status quo, but the costs of administering waste management at the borough level would exceed those for sub-regional or regional options over the longer term.
- 3.4.11 In parallel with this consultation, the Government is commissioning further detailed research to identify costs and benefits of the different waste disposal and waste planning arrangements. This research will help inform Ministers' final decisions on the way forward. This intention is that any changes will not place unfunded new burdens on local authorities (including the GLA).
- 3.4.12 Sector groups affected would include London boroughs and joint waste authorities; and waste and recycling companies.

3.5 Other Options for Change

- 3.5.1 The consultation paper sets out options and proposals for devolution of powers to the Mayor in five other policy areas; these are set out in summary below:
- 3.5.2 **Culture and the arts:** We are proposing to improve consultation between the GLA and national and London cultural bodies by ensuring the GLA is consulted on cultural NDPB's national strategies and London cultural bodies' regional strategies, and that the GLA is required to consult London cultural bodies on the development of the Mayor's cultural strategy. The GLA would also appoint members of the regional cultural bodies, subject to Nolan principles and the agreement of the Secretary of State. In terms of benefits, these proposals would better co-ordinate strategies and facilitate more efficient and complementary use of funds; help link London's cultural sector to the wider GLA agenda and would help the Authority engage more directly with that sector. The costs of implementing the new arrangements would be minimal.

- 3.5.3 **Health:** The consultation paper asks an open question about the additional powers the Mayor could assume in relation to health improvement. The driver for change is the potential to better align powers for health improvement with the Mayor's other strategic responsibilities that influence health and health inequalities. The costs and benefits of any possible change cannot be assessed until detailed options are considered following consultation.
- 3.5.4 **Energy:** We are proposing to place a statutory duty on the Mayor to prepare an energy strategy for London. The Mayor has produced a voluntary energy strategy and the proposal would not require him to do more than he is currently doing voluntarily. It would therefore involve neither the transfer of resources to the GLA nor the Authority incurring significant additional cost. In terms of benefits, a statutory responsibility might give an energy strategy more credibility and influence with key stakeholders and partners – public and private – in London, on whom the Mayor would rely to help deliver his objectives. It would also place energy on an equal footing with the Mayor's other statutory strategies.
- 3.5.5 **Water:** The consultation paper asks whether the Government should be subject to a duty to have regard to the Mayor's Water Action Framework when it frames guidance to regulators in preparation for a review of water price limits. We would not envisage significant costs in implementing this proposal.
- 3.5.6 **Sustainable development:** We are asking an open question on whether the Mayor's existing powers assist or inhibit the fulfilment of his statutory duty on sustainable development. We would need to assess the costs and benefits of enhancing his powers in this respect when we consider detailed options following consultation.

3.6 The Functional Bodies

- 3.6.1 The consultation paper explores options for minor changes to the functions of some functional bodies and to appointments to their boards. The four bodies concerned are set out at paragraph 1.2. The drivers for change are:
- a. seeking to ensure functions are carried out at the appropriate level; and
 - b. where feasible, seeking to give the mayor a greater say in the operation of the functional bodies.
- 3.6.2 The Government proposes devolving a number of minor consent regimes on transport from GOL to TfL, and to change the way in which the Secretary of State grants consent for TfL to dispose of freehold interests in land from order to letter. Both changes will ensure more efficient machinery of government, but are minor in scale. The consultation paper also seeks views on which body would be best placed to run programmes in the next tranche of European funding, should London receive funding during the 2007-2013 round.
- 3.6.3 The Government also proposes making a number of changes in the way appointments are made to the Boards of TfL, the MPA and LFEP. The key changes are:
- To lift the current prohibition on elected members becoming members of the TfL board;

- That the Mayor chairs the MPA. He is not currently a member of the Authority; and
- That the Mayor appoints 4 members of the LFEPA – three to represent the interests of business, under-represented groups and LFEPA staff, and one to champion resilience – and appoints a reduced number of assembly members and borough representatives than at present.

3.6.4 The Government is also consulting on a proposal for the Mayor to be able to direct and issue guidance to LFEPA within the Fire and Rescue National Framework.

3.6.5 These proposed changes are intended to give the Mayor a greater say and more discretion in the operation of the three bodies while, in the case of the MPA and LFEPA, the arrangements remain broadly compatible with those for police authorities and fire and rescue authorities outside London. They should also strengthen the links between policing and other areas for which the Mayor is responsible, and between LFEPA and London's business community.

3.6.6 There are negligible cost implications in implementing the changes.

3.7 The London Assembly

3.7.1 The Government is consulting with an open mind on possible changes to the role of the London Assembly in terms of its key roles of assisting policy development and leading on scrutiny of the Mayor and his activities. The key options for change are to:

- Place a duty on the Mayor to have regard to the Assembly's responses to his consultation on draft statutory strategies and revisions to those strategies;
- Give the Assembly a power to block a Mayoral strategy (or revision to that strategy) by a two-thirds majority;
- Extend the Assembly's scrutiny role to London-wide public bodies not accountable to the Mayor, with the Assembly having the power to summon representatives of those bodies and require documents from them;
- Allow the Mayor and Assembly to appoint their own staff, ending an anomaly whereby the Assembly appoints all GLA staff except two political advisors and ten other appointments made by the Mayor.

Benefits, Risks and Costs

3.7.2 The key principle underpinning the proposals are to make the Assembly's role more robust and therefore strengthen the GLA's policy development process and make the Assembly's scrutiny more effective. The proposals relating to Mayoral strategies are intended to enhance the Assembly's contribution to policy by requiring the Mayor to have close regard to the Assembly's views, and thereby making the Mayor's strategic framework for the capital subject to wider input and more robust. Extending the Assembly's role in scrutiny is intended to improve the delivery of strategic services in the capital by allowing Assembly wider scrutiny of those services.

3.7.3 The key risks in implementing these proposals are:

- a. That giving the Assembly a power to block Mayoral strategies will lead to policy gridlock, whereby the Mayor, the Assembly or both are unwilling to compromise.
- b. Extending the Assembly's power of scrutiny risks diminishing the Assembly's focus on holding the Mayor and the four functional bodies to account.

3.7.4 It is not possible to quantify accurately these proposals in terms of costs, but we do not expect significant additional costs in terms of implementing them (should Ministers decide to do so following consultation). We believe that implementation can be justified in terms of more effective governance and a sharpened role for the Assembly. The detailed implementation of the proposals would need careful consideration if the Government is minded to implement them following consultation.

4. Race Equality Assessment

4.1 The outcomes of the consultation may have a significant, positive effect on disadvantaged groups in the capital, depending on which proposals are taken forward. The proposals for greater mayoral engagement in skills at the strategic level in London may, in particular, benefit certain ethnic minority groups – for example those whose first language is not English – through a stronger focus on regional priorities within the national framework.

5. Health Impact Assessment

5.1 The GLA has a duty to promote the health of Londoners and must have regard to the health of persons in Greater London when exercising its powers. Health Impact Assessments have been carried out jointly with the London Assembly and London Health Commission to this effect.

5.2 A number of options for additional powers being considered would have a positive impact on the health of Londoners – some more directly than others. The consideration of further powers for the Mayor in relation to health improvement should also have a positive impact on health in the capital. We intend to carry out a detailed health impact assessment following consultation.

6. Rural considerations

6.1 Most of the proposals by definition impact on the urban area of Greater London. However some of the proposals, notably in terms of planning, may have implications for London's rural fringe. We will be better able to assess the likely impact in detail following consultation.

7. Small Firms' Impact Test (SFIT)

7.1 Business representatives, including the London Chamber of Commerce and Industry who represent many small businesses, have been consulted on an informal basis and have identified no major concerns. We are in discussion with the Small Business Service (SBS) about wider consultation with small businesses in the context of the Review. The SBS is content with our approach.

8. Competition Assessment

- 8.1 The proposals largely concern the transfer of functions from one tier of government to another, and would have little direct impact on competition. Some specific options for change may impact on existing arrangements in terms contract management. The specific nature of any impacts is the subject of further work, and we intend to undertake a detailed competition assessment following consultation.

9. Enforcement and Sanctions

- 9.1 Many of the outcomes of the Review are likely to require primary legislation in order to be implemented. Any non-statutory changes of function will be carried out by agreement between Central Government and the GLA.

10. Monitoring and Review

- 10.1 The GLA and its functional bodies are subject to a similar audit regime to local government, and are audited by the Audit Commission. The Commission undertakes periodic performance assessments on each of the five organisations in the GLA Group. These performance assessments are similar to the Audit Commission's Comprehensive Performance Assessment (CPA) of local authorities. Any new functions assumed by the Mayor, Assembly and any of the functional bodies would be subject to this audit regime. Central Government Departments would also keep a close eye the GLA's and functional bodies' delivery of any new strategic services.