

Powering up.

Strengthening the London Assembly to
hold the Mayor to account



By Andrew Boff AM
GLA Conservatives.



Contents

Contents	0
Powering up:.....	1
Strengthening the London Assembly to hold the Mayor to account.....	1
Executive Summary.....	1
Introduction.....	3
Section 1 - International competitors.....	4
Section 2 – Strengthening the current powers of the London Assembly	7
Section 3 – New Powers	12
Section 4 – Other models of devolution in the UK.....	15
Conclusion.....	18

Powering up: Strengthening the London Assembly to hold the Mayor to account.

A report by Andrew Boff AM

“The coming of age of the Greater London Authority is a good time to reflect upon how the body has changed, and to learn from the 18 years of challenges we’ve faced as the home of London government. In that time, the powers of the Mayor and the budget he controls have substantially increased but the role of the Assembly has remained largely the same.

This report argues that increased powers require increased accountability and more checks and balances. The democratic deficit created by this broadening gap between the London Mayor and the London Assembly must be filled.”

Andrew Boff AM.



Executive Summary.

Accountability lies at the heart of a healthy democracy. It ensures that the public are aware of what their elected representatives are doing and whether they are fulfilling their duty to them. It also ensures information is available that can be used to measure the authorities' performance and to guard against any possible misuse of powers. It safeguards the interests of the people and can increase their trustworthiness and legitimacy in the eyes of the electorate. However, in areas where that accountability is weak, the risk of failure - whether financial mismanagement, the collapse of public services or underperformance - increases.

In this context, it is the role of the London Assembly to hold the Mayor to account and ensure the necessary level of accountability. The London Assembly and the office of the Mayor was created by the Greater London Authority Act of 1999.¹ The Act sets out the wide-ranging powers of the Mayor. The London Assembly was given the specific job of examining the Mayor's strategies, decisions and actions. Whilst it was given the role of holding the Mayor to account, it was not given adequate powers to perform this role as effectively as possible. Subsequent devolution has led to more power and resources being given to the

Mayor and has led to further imbalance between the powers of the two bodies.

The powers of the Mayor are continually growing. For example, the Adult Education Budget is being devolved to him in 2019/20.² The London Finance Commission has called for further devolution to the Mayor in areas including transport, skills, employment, housing, planning, healthcare, criminal justice and economic development as well as further powers to set tax.³

Without corresponding reforms to the London Assembly, this will make it even more difficult for this body to perform its statutory duty to hold the Mayor to account. Without proper accountability, the powers that the Mayor possesses can be misused and public money can be squandered through carelessness and mismanagement. An example is the burgeoning black hole in the budget of Transport for London.

In other countries across the world, City Councils, the equivalent bodies to the London Assembly, possess far more power. Also, the London Assembly has less power than even its UK-wide equivalents in Scotland, Wales and Northern Ireland, which is strange considering the size and importance of London to the United Kingdom. Of course, it is important that the role of the Mayor of London is not

¹ <http://www.legislation.gov.uk/ukpga/1999/29/section/>
²

² <https://www.london.gov.uk/decisions/md2255-devolution-adult-education-budget-mayor>

³ https://www.london.gov.uk/sites/default/files/devoluti-on_-_a_capital_idea_lfc_2017.pdf

diminished and that he has sufficient power to implement his policies. However, the London Assembly should be able to provide a better check on the Mayor, to ensure his policies are carefully considered, beneficial and value for money for the taxpayer.

Below is a list of recommendations for reform to increase the effectiveness of the London Assembly and bring it into line with its international counterparts:

Ensure all major decisions and strategies/plans are passed by the London Assembly by a simple majority. At the moment, strategies can only be rejected by a two-thirds majority.⁴ This grants the Mayor excessive power over the London Assembly and does not incentivise him to consult widely. This recommendation would require a simple majority of Assembly Members to vote in favour and actively approve of a decision for it to be passed.

Establish an independent Budget Office for London, thereby giving the London Assembly power of the purse. The budgetary powers of the London Assembly are patchy at best. It can only reject an element of revenue spending but not capital spending or amend the details of the budget. As with Mayoral strategies, revenue spending can only be rejected if two-thirds of London Assembly Members vote against the budget. This clearly does not make for good governance. The

London Assembly should be able to reject or approve all revenue and capital spending by a simple majority. As part of this, a Budget Office for London would be established, with sufficient prestige, powers and resources to ensure that the budgetary process is more accountable.

Grant the London Assembly the power to call-in Mayoral decisions. The purpose of a call-in is to enable Assembly Members to review a Mayoral decision and send them back to the Mayor to reconsider. Granting this power to the London Assembly would act as a democratic safeguard against the unconstrained exercise of executive power.

Transfer the Mayor's planning powers to a Planning Decisions Committee. At the moment, the Mayor has the sole responsibility to decide the outcome of planning applications in secret when they are referred to him, leading to a large amount of planning power resting with the Mayor. Instead, a Planning Decisions Committee should be set up and it should have responsibility for presiding over the referred planning applications to provide greater transparency and scrutiny into the planning decisions process.

Permit the London Assembly to approve all Mayoral appointees who are not Assembly Members. The London Assembly does not possess the power to scrutinise all of the Mayor's incoming appointments. Pre-appointment

⁴ <https://www.london.gov.uk/about-us/london-assembly/about-london-assembly>

hearings and scrutiny of the Mayor's preferred candidates for a wider range of posts will help to ensure public confidence in these appointments. The London Assembly should have the power to veto or confirm these appointees based on a simple majority.

Allow London Assembly Members to ask Urgent Questions. The opportunity for topical questions needs to be increased. The London Assembly should mirror the system in the House of Parliament, whereby Members of Parliament are able to request urgent questions.

Reform Mayor's Question Time so it occurs twice a month. Mayor's Question Time (MQT) is usually the main media event of the month and is the primary opportunity for London Assembly Members to question and hold the Mayor to account directly in the Chamber. MQT should be reformed so that it occurs twice a month, which will allow each session to be shorter, sharper and more engaging.

Grant the London Assembly legislative functions over licensing, trading and environmental issues. Much of this is still directly controlled by the Houses of Parliament through primary legislation. Devolving local issues by statutory instrument to the London Assembly would ensure a more transparent and efficient process as well as ensuring it is easier to access for local councils.

Implementing the recommendations listed above will go a long way towards rectifying the large structural imbalance between the powers of the London Assembly and the office of the Mayor of London. It would also bring the scrutiny function of the London Assembly further in line with major cities across the world and lead to an enhancement in the checks and balances of the Mayor of London.

Introduction

When the Greater London Authority (GLA) was officially founded in 2000, the Mayor of London was given all executive power over the GLA and specific responsibilities over very significant areas including transport, housing, policing, economic development and regeneration, amongst others. These substantial powers mean that the scrutiny of these policies is crucial to ensure that Londoners receive the best service possible from their Mayor.

The Greater London Authority referendum 1998 created the two component parts of the GLA: the Mayor of London and the London Assembly. The latter was given the specific role of scrutinising the Mayor and holding him to account; therefore, it is important that the London Assembly has the necessary powers to scrutinise the Mayor. Accountability is vital if democracy is to function in the way it is intended to. Without proper accountability, there is little way of ensuring that

Londoners are getting the best deal.

Whilst the London Assembly was given the role of holding the Mayor to account it was given insufficient accompanying resources and powers to do this as fully as might be expected. This was done intentionally. The Green Paper titled '*New Leadership for London*' in July 1997 sketched out the Government's plans for a strong Mayor with a small, 'strategic' Assembly to hold the Mayor to account.⁵ In hindsight, this made the job of holding the Mayor to account for his responsibilities very difficult.

From the very beginning, when the GLA was established in 2000, the powers and resources of the Mayor's office far exceeded those of the London Assembly. This obviously has implications for the scrutiny function. Since 2000 the office of the Mayor has acquired more resources and more power, further exacerbating the problem. The Greater London Authority Act 2007 further increased the power and the remit of the Mayor in areas relating mainly to housing, planning, waste and climate change⁶. The Localism Act 2011 empowered the Mayor to establish Mayoral Development Corporations (MDCs) in order to regenerate specified geographical areas. The GLA can now acquire land for housing and regeneration purposes.⁷ The structures of accountability have

yet to catch up with these reforms as this legislation did not grant the London Assembly matching powers to scrutinise the Mayor. The Institute of Government makes clear that a lack of accountability can lead to 'chronic underperformance, poor value for money and outright failure.'⁸ This inevitably ends up damaging public trust.

From an international perspective, the London Assembly lacks not only the resources but also the powers of its international counterparts in New York, Chicago, Toronto and New South Wales. In order for the London Assembly to be able to provide effective scrutiny, it requires additional powers and must increase the tools it has available at its disposal. With the increased intensity of the 24-hour news cycle and the introduction of social media into the political debate, the London Assembly needs to become much more dynamic if it wishes to represent the interests of Londoners as effectively as possible.

Section 1 - International competitors.

In other major cities across the world such as New York, Chicago, Toronto and New South Wales,

⁵ researchbriefings.files.parliament.uk/documents/SN05817/SN05817.pdf

⁶ <https://www.legislation.gov.uk/ukpga/2007/24/contents>

⁷ <http://www.legislation.gov.uk/ukpga/2011/20/part/8/chapter/2/enacted>
⁸ <https://www.instituteforgovernment.org.uk/sites/default/files/publications/IfG%20accountability%20discussion%20paper%20april%202018.pdf>

the equivalent bodies of the London Assembly enjoy extensive powers of scrutiny and their powers are far more wide-ranging than the existing powers of the London Assembly. According to Professor Nirmala Rao from SOAS university, “it is essential that a balance is achieved between a strong mayor able to decide on strategies and implement them, and an Assembly that can veto ill-considered policies and call in Mayoral decisions”.⁹

London

The London Assembly does not have the power to initiate or pass legislation. Whilst it can reject the budget, this must be done with a two-thirds majority. It should also be noted that the London Assembly does not have the power to amend the budget or approve all Mayoral appointments. Not only does the London Assembly have much less power than its counterparts but it also has much less money in comparison to the amount it scrutinises. In short, it is lacking in both power and resources.

Executive budget: £16.3 billion¹⁰
London Assembly budget: £7.8 Million¹⁰
Budget as a percentage of executive spending = 0.047%

If the budget of the London Assembly was in line of the budget of New York City Council, which is at the lower end of the

spectrum, it would possess a budget of £11.4 million.

New York

In New York, the City Council’s powers are considerable; it can increase, decrease, add, or remove any item within the budget. It can reduce the overall budget on a simple majority, seek to restore proposed Mayoral cuts and approve the final budget, overriding any Mayoral veto on a two-thirds majority.

The Council also has the power to initiate legislation (for local laws) and holds regular oversight hearings on city agencies to determine how agency programmes are working and whether budgeted funds are well spent. In addition to its legislative and oversight role for over City agencies, the Council approves the City’s budget and has decision-making powers over land use issues. The Mayor can veto local laws enacted by the City Council, but such a veto may be overridden by a two-thirds vote of the Council.¹¹

Executive budget: \$88.67 billion¹²
= £66.3 billion
City Council budget: \$63.6 million¹³ = £47.9 million
Budget as a percentage of executive spending = 0.07%

Chicago

Chicago has a “strong council/weak mayor” system in

⁹ <https://www.electoral-reform.org.uk/its-time-to-rebalance-the-powers-of-the-london-mayor-and-assembly/>

¹⁰ <https://www.london.gov.uk/sites/default/files/finalconsolidatedbudget2018-19.pdf>

¹¹ https://www1.nyc.gov/assets/charter/downloads/pdf/1989_final_report.pdf

¹² https://council.nyc.gov/budget/fy18-22_financial_plan_overview/

¹³ <http://budget.council.nyc/>

which most of the power is vested in Aldermen who are the elected representatives on Chicago City Council. The City Council is the legislative branch of the government of the City of Chicago. Its power includes the right to regulate for the protection of the public health, safety and welfare; to license; to tax; and to incur debt. The City Council possesses a binding vote on all proposed loans, grants, bond issues, land acquisitions and sales, zoning changes, traffic control issues, mayoral appointees, and other financial appropriations. It can also initiate legislation. The Mayor does have a power of veto which can block an action of the City Council, however the City Council can override it with a two-thirds majority vote.

Executive budget: \$7.5 billion¹⁴
City Council budget: £32 million⁹
Budget as a percentage of executive spending = 0.42%

Toronto

Toronto City Council has direct responsibility for the City's services. Indirectly, it oversees other major services delivered through its agencies and corporations, such as the Toronto Police Service, the Toronto Transit Commission (TTC), and the Toronto Public Library.

Toronto City Council has the power to:

Appoint or remove from office

¹⁴https://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2018Budget/2018_Budget_Overview.pdf
⁹ <https://www.toronto.ca/city-government/budget-finances/city-budget/>

The power to impose a tax, set a tax rate or establish a tax ratio
The power to adopt an official plan or an amendment to an official plan under the Planning Act
The power to pass a zoning by law under the Planning Act
The power to adopt or amend the budget of the City

In 2015, Toronto City Council illustrated its power in relation to the executive when it voted to strip the Mayor of some of his powers. It suspended the Mayor's authority to appoint and dismiss the Deputy Mayor and his executive committee. However, this power has now been transferred back to the Mayor.

Executive budget: \$13.5 billion¹⁵ = £7.6 billion
City Council budget: \$20 million¹⁶ = £11.3 million
Budget as a percentage of executive spending = 0.14%

New South Wales

New South Wales incorporates Sydney, the capital and the largest city in Australia. It is responsible for policing, public schools, roads and traffic, public hospitals, public housing, and business regulation. New South Wales has a population comparable to London.

Interestingly, New South Wales is governed according to the principles of the Westminster system. Legislative power rests with the Parliament of New South

¹⁵ <https://www.toronto.ca/wp-content/uploads/2017/12/8b6a-Council-2018-Op-Budget-Notes-V2.pdf>

Wales, which consists of the Premier of New South Wales, and the two Houses: the New South Wales Legislative Council (the upper house) and the New South Wales Legislative Assembly (the lower house). Executive power rests formally with the Executive Council, which consists of the Premier and senior ministers. The Premier and the Cabinet hold office by virtue of their ability to command the support of a majority of members of the Legislative Assembly.

The constitution grants the Parliament of New South Wales extensive power to initiate, pass and block legislation as well as initiate money bills and pass the budget. Section 5 of the Constitution Act 1902 states that the legislature has power 'to make laws for the peace, welfare and good government of New South Wales in all cases whatsoever', provided that 'all Bills for appropriating any part of the public revenue, or for imposing any new rate, tax or impost, shall originate in the Legislative Assembly'.¹⁷

Executive budget: \$18.7 billion¹⁸ = £10.4 billion

Parliament budget: 184 million¹⁹ = £102 million

Budget as a percentage of executive spending = 0.98%

Whilst this report does not ask for the London Assembly to be given the same level of power the other equivalent bodies in major cities across the world enjoy, the gap

should be narrowed to allow the powers and resources of the London Assembly to be more in line with its international counterparts. This would require some of the existing powers of the London Assembly to be strengthened and increased but would also require new powers. This report will look at both in further detail.

Section 2 – Strengthening the current powers of the London Assembly .

Growing powers for the GLA in planning and housing and a budget which is much larger than when the Mayoralty came into existence has not seen a concomitant match in increased powers for the Assembly to hold the Mayor to account. To ensure that Londoners' interests are protected from an ever more centralised power for the Mayor, this report argues that the London Assembly requires increased power when it comes to influencing major decisions and statutory strategies, the budget process, Urgent Questions, Mayor's Question Time

¹⁷[https://www.parliament.nsw.gov.au/lc/roleandhistory/Documents/02%20NSW%20LC%20Prac%20Ch01%20\(press\).pdf](https://www.parliament.nsw.gov.au/lc/roleandhistory/Documents/02%20NSW%20LC%20Prac%20Ch01%20(press).pdf)

¹⁸ <http://www.budget.nsw.gov.au/sites/default/files/bud>

get-2018-06/1_Budget_Highlights-BP1-Budget_UPDATED.pdf

¹⁹ <http://www.budget.nsw.gov.au/outcome-budgeting>

and approving Mayoral appointees.

Major decisions and strategies

The central role of the London Assembly is to examine the major decisions and statutory strategies of the Mayor. Whilst the London Assembly already plays an important role in this regard, it requires further power to ensure more effective scrutiny. The Mayor is legally obligated to produce Mayoral strategies to direct policy making throughout London. These statutory strategies span areas ranging from economic development, planning and transport and they can only be rejected by the London Assembly if two-thirds of Assembly Members vote to reject them. The difficulty of achieving a cross-party consensus of two-thirds of the Assembly, hinders the London Assembly in its role of holding the Mayor to account. Indeed, it is particularly telling that no strategy has ever been rejected.

The fact that strategies can only be rejected by a two-thirds majority pushes the balance of power very firmly in the Mayor's direction. With the exception of the inaugural Mayoral term (2000-2004) the sitting Mayor's party has always held a sufficient number of London Assembly seats to deny the Assembly the two-thirds majority required to reject Mayoral strategies. The Mayor therefore has a reduced incentive to consult the London

Assembly before proceeding with a decision/strategy.

The process should be reformed so that a simple majority of Assembly Members would be required to vote in favour of the decision/strategy for it to pass. This would require the Mayor to consult more widely and the political parties on the London Assembly would have to work closer together. This reform would increase the width of democratic input to Mayoral decisions and strategies and lead to an increase in accountability on some of the most important decisions the Mayor takes. The same process should apply to spending decisions.

Budget

The Mayor of London possesses a budget of over £16 billion²⁰. A budget this large requires an intensive scrutiny process and the London Assembly should have the ability to ensure that taxpayers' money is being spent as efficiently as possible. However, there are some significant structural problems with the budgetary process: the Assembly does not possess the power to amend the budget line-by-line, it can only amend revenue spend attributed to council tax and cannot vote on, amend or reject capital spending.

The lack of ability to approve, reject or amend capital spending plans is a particularly important omission. The Mayor is responsible for substantial capital

²⁰
<https://www.london.gov.uk/sites/default/files/finalconsolidatedbudget2018-19.pdf>

expenditure - he prepares capital budgets for: Transport for London (TfL); the Mayor's Office for Policing and Crime (MOPAC); the London Fire Brigade (LFB); the London Legacy Development Corporation (LLDC); and the Greater London Authority itself, which includes expenditure on housing, regeneration and elements of Crossrail. The lack of effective oversight powers over a substantial element of Mayoral expenditure hinders the Assembly's ability to hold the Mayor to account.

Under the present arrangements, the budget must pass through a number of stages before it is finalised. The process begins in the summer when the Mayor publishes guidance to provide the context for organisations that make up the GLA Group to prepare their budgets. Detailed budgets are prepared in the late autumn, the revenue components of which are examined in detail by the Assembly's Budget and Performance Committee in early January and a final consolidated budget is presented in February which is then voted on by the London Assembly. In common with Mayoral strategies, the budget is deemed to have been approved unless two-thirds of Assembly Members vote against it.²¹

Scrutiny of the budget and its implementation is generally regarded as an integral part of a transparent democratic system and the scrutiny of the budget process in the London

Assembly could be done in a more detailed and effective manner than is currently the case, but this would require strengthening the powers the London Assembly already has. The requirement for a two-thirds majority to reject the Mayor's budget impedes the Assembly's scrutiny, as does the fact that the Assembly does not have the power to approve or reject *parts* of the Mayor's budget proposals - under the present arrangements they must reject all of it, or none of it.

This recommendation would require a simple majority of Assembly Members to vote in favour for the budget to pass as well as streamlining the budget process to ensure Assembly Members can scrutinise, amend, reject and vote on all revenue and capital spending, on a line-by-line basis. It would mean the London Assembly could reject a specific part of the budget without having to vote the budget down in its entirety. The recommendation would also require any new discretionary in-year spending adjustments that are over the value of £4 million to be authorised by the London Assembly.

If these reforms are implemented, the London Assembly will require additional administrative and scrutiny resources and accordingly a new Budget Office for London, answerable to the Assembly, should be created to ensure that the budgetary process is more accountable and

²¹ <https://www.london.gov.uk/about-us/governance-and-spending/spending-money-wisely/mayors-budget?source=vanityurl>

that the Assembly is better resourced to carry out its scrutiny role.

As the *Southern Powerhouse* report highlights, the Budget Office for London would operate in a similar fashion to the National Audit Office (NAO), which holds central government bodies to account. This would equip the Assembly with the resources needed to better hold to account a mayoralty that has increased fiscal and political powers.²² The House of Commons Communities and Local Government Select Committee has previously expressed support for this idea²³ and the International Monetary Fund makes clear that strong fiscal institutions can enhance credibility.²⁴ An independent body, separate from the Mayor's office and working under the authority of the London Assembly, would create more trust and boost credibility and confidence in the GLA's fiscal framework.

Together, these reforms to the budget process would grant the London Assembly a very powerful tool and would lead to better value for taxpayers.

Urgent Questions

The majority of the scrutiny Assembly Members undertake takes place within the various committees of the London Assembly and the work programmes for each committee

are typically agreed several months in advance. Committee meetings tend to be evidence gathering sessions and the final output of a committee investigation is usually a report summarising the respective committee's findings and a series of recommendations.

There are undeniable strengths to this approach, but it a comparatively slow-moving process, and is unresponsive to dynamic changes in London's circumstances. Unlike Parliament, there is no current mechanism by which Assembly Members can table Urgent Questions to the Mayor or his Deputy Mayors and other advisors.

Changing this, and introducing a procedure whereby the Chair of the Assembly had the power to allow urgent questions to be tabled would allow the London Assembly to react much more rapidly to breaking news. It would sharpen the scrutiny function and ensure the Mayor and Deputy Mayors can be questioned on the most topical and relevant issues of the day.

Mayor's Question Time

Alongside the reform of Urgent Questions, Mayor's Question Time (MQT) should also be overhauled so it occurs more frequently. MQT meetings take place ten times a year (in every month apart from April and August) and are used to

²²

https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/southern-powerhouse.pdf

²³

<https://publications.parliament.uk/pa/cm201314/cmselect/cmcomloc/213/213.pdf.p.22>

²⁴

<https://www.imf.org/en/News/Articles/2015/09/28/04/52/mcs052215>

question the Mayor on the full range of matters within his remit.

The fact that MQT occurs a month apart means that the sessions can be unresponsive to day-to-day developments - if an event occurs between MQT meetings and London Assembly wishes to question the Mayor about it, it may have to wait three or four weeks until the next meeting occurs, by which time the issue may no longer be relevant. A single session once a month also means Assembly Members have a lot of questions to get through. Two sessions per month could allow the sessions to be shorter, sharper, more engaging, more likely to be watched by the general public, thus increasing their awareness and interest in the political process.

A further problem with the current MQT arrangements is that it runs for a fixed time, with each party grouping allocated a period of time proportionate to their number of Assembly seats, and the Mayor's responses to questions eats into the total time for the session. This provides an incentive for the Mayor to filibuster, giving long and unnecessary responses which do not answer the question. Since the foundation of the Mayoralty and the GLA in 2000 all three elected Mayors have taken advantage of this.

We therefore propose that MQT should be reformed so that the time limits the Assembly Members have to question the

Mayor are removed, thus allowing more room for debate on the substance and detail of the major issues facing London.

Approval of Mayoral appointments

Currently, the process for confirmation and pre-appointment hearings is disorganised, confusing and lacks proper accountability. The Greater London Authority Act 2007 empowered the London Assembly to hold confirmation hearings for specified mayoral appointments.²⁵ These are the chairs or deputy chairs of TfL, the Cultural Strategy Group, the London Pensions Fund Authority, LWARB; and any Mayoral Development Corporation. However, the Mayor has the power to override any rejections. The Police Reform and Social Responsibility Act 2011, however, gave the Assembly's Police and Crime Committee the power to reject the appointment of the Deputy Mayor for Policing and Crime (when the appointee is not an Assembly Member) by a two-thirds majority and the Mayor cannot override this decision.²⁶

In the absence of a formal HR process for selecting Deputy Mayors and Mayoral appointees, there should be a mechanism in place to ensure only those suitable for the job are selected. Our contention is that the rules should be made more consistent for every appointment to ensure there is a simple majority binding vote on all Deputy Mayors and

²⁵ <https://www.legislation.gov.uk/ukpga/2007/24/contents>

²⁶ <http://www.legislation.gov.uk/ukpga/2011/13/section/20/enacted>

Mayoral appointees who are not London Assembly members. A vote on the Mayoral nominee would provide an important safeguard to hold any potential Deputy Mayor or appointee to account. A vote would be preceded by a session whereby the Assembly Members would question the candidate to determine their suitability. The vote would then be taken and Assembly Members would vote on the basis of a simple majority.

The Liaison Committee in the House of Commons has previously outlined four main reasons why pre-appointment hearings such as those recommended above are important.²⁷

1. Allows scrutiny of the quality of executive decision making, which is a proper part of executive accountability;
2. Gauges the suitability of the candidate and provides public reassurance that those appointed to key public offices have been selected on merit. It also would dissuade the Mayor from misusing powers of patronage and would deter him from recommending candidates that would not pass this additional layer of scrutiny;
3. Enhances the appointee's legitimacy in undertaking their function; and
4. Provides public evidence of the independence of mind of the candidate.

²⁷

<https://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN04387>

This greater role for the London Assembly would ensure the Mayor consults widely with the London Assembly, either formally or informally, before bringing decisions to the chamber. If implemented these recommendations would fundamentally change the outlook of Mayor and the Mayor's office to a more collaborative one and would also ensure the views of the London Assembly are fed into the decision-making process at an early stage. It would also lead to more constructive cross-party working as the Mayor's office would not be able to rely on their own party to vote the proposals through but would need support from other parties.

Section 3 – New Powers

Whilst the above section sets out how the London Assembly can strengthen its existing powers, it also requires additional new powers to better fulfil its statutory duty to hold the Mayor to account. The new powers which the London Assembly should acquire concern the power to call-in Mayoral decisions, power over planning decisions and legislative functions.

Call-in Mayoral decisions

A call-in is the process by which elected representatives can ask the executive to reconsider a decision which has been made (but has not yet been implemented). At present, the London Assembly, as a whole, does not have many formal opportunities to express its dissatisfaction with a Mayoral decision. For the call-in process to be as seamless as possible, the Mayor should be required to produce a forward plan. At the moment, the Mayor of London is the only elected mayor in England whose decisions are not subject to call-in by the local scrutiny body.

This recommendation would grant the London Assembly the power to call-in Mayoral decisions on a simple-majority vote. A call-in would provide a mechanism for Assembly Members to intervene when they believe a decision taken by the Mayor needs to be reconsidered. The recommendation would also require the Mayor to produce a forward plan, as all other elected Mayors in England currently do. This would mean key decisions are notified publicly and a forward plan would be published by the Mayor setting out planned key decisions for the subsequent months. Most local councils also have a formal forward plan and a call-in process in some form.

In most local councils, the process begins with a decision being taken, usually by the Leader of the Council, a Cabinet Member or the Cabinet. Councillors are then duly notified if a valid

request for a call-in is received, after which a meeting of the relevant overview and scrutiny committee is convened. The committee may agree with the decision of the executive, recommend that it be changed, or that it be withdrawn entirely. If the Scrutiny Committee supports the executive's original decision then it can be implemented without delay and the executive's decision stands. If it disagrees, the decision is then sent back to the executive. In some cases, if it is considered that the decision is contrary to or not wholly in accordance with the policy framework or budget, then the matter may be referred directly to the next available Council meeting when the matter will be debated. The executive will then reconsider the decision and may or may not amend it before adopting it.

Granting the London Assembly the power of call-in would provide a key check and balance in the system of governance which would prevent the overweening exercise of power by the Mayor. It would require the Mayor or a Deputy Mayor to explain and justify their decision under questioning from Assembly Members. This recommendation would ensure more accountability for the decisions that have been taken and would also halt any further resources being spent on the decision, until it has been reconsidered. The call-in process would safeguard against opaque decision-making and enhance the transparency and accountability of the process. The threat of the call-in would lead to a more

substantive consultation process between the London Assembly and the Mayor during policy-making. It should, however, be regarded as a measure that is only used in exceptional circumstances, rather than day-to-day and would sit in the context of a range of other tools at the London Assembly's disposal to influence decision-making.²⁸

Planning decisions

The Mayor is consulted on all applications that meet certain criteria which are referred to him.²⁹ These are usually quite significant applications and the criteria includes:

Development of 150 residential units or more

Development over 30 metres in height (outside the City of London)

Development on Green Belt or Metropolitan Open Land

Currently, a planning application is considered by the local planning authority at its planning committee, where it decides whether to grant or refuse permission. Once an application has been referred to the Mayor, he has 14 days to make a decision. The Mayor can allow the local planning authority decision to stand, to direct refusal, or to take over the application, thus becoming the local planning authority. The Mayor conducts

this meeting in private, away from public view. This places enormous power in the hands of a single individual and is an extremely opaque and secretive way of making major decisions. It is important those affected by a decision feel reassured that decisions were taken fairly and transparently.

Instead, a new Planning Decisions Committee should be set-up to undertake that role. The Assembly Members on the Committee should instead debate and vote on the planning decision. This would be far more effective and would incorporate a greater range of views. It would allow the planning decisions to benefit from the skills and experience of Assembly Members who offer a greater knowledge base. By including multiple stakeholders, it would ensure planning decisions are far more transparent and would make it more difficult for vested interests to influence the decision.

Legislative functions

In order to carry out their licensing and trading standards functions, London Boroughs are dependent on powers voted to them by Parliament under ad hoc "London Local Authorities Bills." The tenth London Local Authorities Bill received Royal Assent and became the London Local Authorities Act 2012.³⁰ This primary legislation mainly concerns niche issues regarding regulations for householders and

²⁸ <http://www.cfps.org.uk/wp-content/uploads/PG-4.pdf>

²⁹ <https://www.london.gov.uk/what-we-do/planning/planning-applications-and-decisions/what-powers-does-mayor-have-planning>

³⁰ <http://www.legislation.gov.uk/ukla/2012/2/contents/enacted>

businesses about rubbish collection, licensing and street trading regulations amongst others. This can be a long drawn out process with local authorities having to wait for a slot in the Parliamentary timetable before their requirements are met.

If the London Assembly were to be granted general competence over licensing, trading and environmental regulations the Boroughs could receive a faster, more responsive and properly scrutinised service. At the moment, councils are forced to wait for Parliament to make time for this and it can lead to delays to the work of local councils whilst they wait for Parliament to enact the legislation. This could be transferred to the London Assembly via a statutory instrument.

If the London Assembly was to receive the powers outlined above, it would considerably increase the power of the London Assembly and bring it on a more even-footing with the Mayor's office. However, accompanying these recommendations must be a transfer of resources to allow the London Assembly to perform this greater role. There should be greater specialist scrutiny staff dedicated solely to the London Assembly. In the 2018-19 financial year, it will scrutinise spending of almost £16.3 billion on a budget of £7.8 million.³¹ In terms of staffing, the total GLA headcount is 929,

whereas the London Assembly Secretariat consists of 96 people. A readjustment of the budget and staff should take place so that the London Assembly can fulfil an enhanced role and make full use of these reforms.

Section 4 – Other models of devolution in the UK.

A model of devolution that has often been proposed for London is the combined authority model.^{32 33} It seems to be especially popular with national politicians and there has been a sharp increase in the number of areas which are governed under this model. Six directly-elected mayors took office on 4th May 2017, following 'devolution deals' agreed between the Government and selected local areas. They have commonly been referred to as 'conurbation mayors' or 'metro-mayors'.³⁴ Metro-mayors are legally distinct from local authority mayors. They are chairs of 'mayoral combined authorities', established via Orders under the Cities and Local Government Devolution Act 2016.³⁵ This combined authority model has been suggested for London, however this would not be appropriate as it would lead to

³¹ <https://www.london.gov.uk/sites/default/files/finalconsolidatedbudget2018-19.pdf>

³² <https://www.lgcplus.com/politics-and-policy/exclusive-six-london-boroughs-to-discuss-capitals-first-combined-authority/5077107.article>

³³ <http://www.room151.co.uk/151-news/london-seeks-combined-authority-powers/>

³⁴ <http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN05000#fullreport>

³⁵ <http://www.legislation.gov.uk/ukpga/2016/1/contents/enacted>

less scrutiny of the Mayor than is currently the case.

A combined authority is a legal structure that may be established at the request of two or more local authorities. They can be set up with or without a directly-elected mayor. Combined authorities draw together councillors from their “constituent” councils to make joint decisions on issues of mutual importance. They are not intended to be an additional tier of local government, but are supposed to be a way of linking up neighbouring councils. The combined authority’s executive consists either of one representative of each member authority; or one representative of each member authority plus a directly-elected mayor (a ‘mayoral combined authority’).

The Greater Manchester combined authority is widely seen as the flagship of combined authorities. It has received the largest selection of devolved powers outside of London, including responsibility for a health and social care budget of over £6 billion, although this is not under the direct control of the combined authority.³⁶ The Mayor of Greater Manchester, Andy Burnham, also takes on the role of the Police and Crime Commissioner and has responsibility for the Manchester Fire and Rescue Service.

The Greater Manchester combined authority illustrates the major problems with the

combined authority model. The GMCA is run jointly by the leaders of the ten councils and the Mayor of Greater Manchester, Andy Burnham. Each member of the GMCA is forced to balance several conflicting jobs. The first being a ward member and many will dedicate considerable time to this, given it is how they are elected. The second is being a leader of a council. This is obviously a job which comes with huge responsibility. As an example, the leader of Manchester City Council is responsible for a budget of over £1.5 billion.³⁷ In his role as leader of Manchester City Council, he is also responsible for services including planning, transport, roads, education, social services and libraries. In addition to these roles, his role on the GMCA gives him responsibility for Economic Growth and Business in the Greater Manchester Area. This is already a huge responsibility. However, it should be noted that alongside these roles, he is also expected to hold the Mayor to account. It is simply impossible for members of combined authorities to be able to hold the Mayor to account effectively alongside their other roles. It is also worth mentioning that all the members of the GMCA, are of the same party as the Mayor, which also has implications for their scrutiny function.

Council leaders and councillors will have limited capacity for the overview and scrutiny of combined authorities. Committees scrutinising the

³⁶ <http://www.gmhsc.org.uk/wp-content/uploads/2018/04/GM-Strategic-Plan-Final.pdf>

³⁷ http://www.manchester.gov.uk/downloads/download/6795/annual_report_201617

spending and activities of combined authorities do this in addition to their other roles within their own local authorities. This reduces the time and resources they have for scrutiny. Greater Manchester has experienced difficulty retaining representatives on its scrutiny pool and on its audit committee according to the National Audit Office.³⁸

Unlike the London Assembly, the audit committee on a combined authority does not have the budget to conduct detailed investigations. Combined Authorities have a far smaller budget and do not have an equivalent body to the London Assembly, with scrutiny instead being performed by members of the constituent councils.³⁹ A directly elected scrutiny body, gives the body more of a mandate to challenge the executive. The London Assembly also has its own staff and resources, without which, it would be impossible to scrutinise the Mayor in the way it currently does. The seriousness of inadequate scrutiny should not be underestimated. Serious governance failures resulting in damage to public services and the public can occur where scrutiny is inadequate or fails.

The other major issue with combined authorities is that the structure makes it more likely that pork-barrel politics occurs. The borough leaders are always going to be more concerned about their boroughs and about

negotiations for their boroughs, therefore they are less likely to provide adequate scrutiny of the Mayor. They will be far more interested in topics or proposals that directly impact their own councils. The Mayor, in order to get a majority to vote for his proposals, would be forced to do deals with the Borough leaders and that would undoubtedly involve carve-ups of the budget. There is a likelihood this may be done on the basis of opaque political decisions as opposed to where resources were required. The fact that the GMCA model, has led to 11 out of 11 members being of the same party as the Mayor cannot be good for the accountability of the Mayor.

The London Assembly provides a diversity of views by being a proportional system through the additional member system with constituency members and a top-up list. Five different parties are currently represented on the London Assembly its structure also means that it can take a strategic view for the whole of London, not simply a view for individual boroughs.

Those calling for a combined authority model for London are mistaken. The 'strong Mayor' model of London government can only be effectively scrutinised by a directly elected body. As this report has set out, the current role of the London Assembly could be improved and the reforms outlined in previous sections would go a long way towards rectifying this. However,

³⁸ <https://www.nao.org.uk/wp-content/uploads/2017/07/Progress-in-setting-up-combined-authorities-Summary.pdf>

³⁹ <https://publications.parliament.uk/pa/cm201719/cmselect/cmcomloc/369/36912.htm>

a combined authority model in London would be wholly inappropriate and would lead to even less scrutiny of the Mayor than is currently the case. The combined authority model is a perfect example of a model of governance whereby the Mayor can completely dominate proceedings and avoid scrutiny. The combined authority model should not be adopted in London and it would be a step backwards for scrutiny if a combined authority was ever to replace the London Assembly.

Conclusion.

In conclusion, whilst the London Assembly performs an important role in scrutinising the Mayor's decisions, the reforms outlined in this report would improve that role considerably. The Mayor must be held to account for the substantial powers he exercises. An assembly composed of members able to focus on the same issues as the Mayor is the correct vehicle for this scrutiny. Assembly Members, like the Mayor, should be able to take a strategic view of the capital and its interests. The current model whereby an Assembly directly elected by the London electorate holds to account a mayor with extensive and growing executive powers is the best vehicle for this. However, in order to do its job effectively, the London Assembly must have the remit, powers and

resources to be able to fulfil its role.

Below are a set of recommendations for reform that should be implemented to ensure this occurs:

Ensure all major decisions and strategies/plans are passed by the London Assembly by a simple majority. At the moment, strategies can only be rejected by a two-thirds majority⁴⁰. This allows the Mayor to ride roughshod over the London Assembly and means he does not have an incentive to consult widely. The current system breeds complacency. If the Mayor's office feels it is unlikely they will be defeated on a vote, they will be less inclined to listen to the London Assembly and take into consideration the views of the Assembly Members. This leads to decisions being taken by a small group of people and does not make for good governance. This recommendation would require a simple majority of Assembly Members to vote in favour and actively approve of a decision for it to pass.

Establish an independent Budget Office for London, thereby giving the London Assembly power of the purse. The budgetary powers of the London Assembly are patchy at best and disorganised at worst. The London Assembly can only reject an element of revenue spending and cannot reject capital spending or amend the details of the budget. As with

⁴⁰ <https://www.london.gov.uk/about-us/london-assembly/about-london-assembly>

Mayoral strategies, revenue spending can only be rejected if two-thirds of the London Assembly Members vote against the budget. This clearly does not make for good governance. The London Assembly should be able to reject and approve all revenue and capital spending by a simple majority. As part of this, a Budget Office for London would be established which would ensure that the budgetary process is more accountable and that the Assembly is better resourced to carry out its scrutiny role. The London Assembly should also be able to vote for an amendment to the budget as long as a majority of London Assembly Members vote in favour. This is to ensure there is rigorous scrutiny of the budget process.

Grant the London Assembly the power to call-in Mayoral decisions. The purpose of a call-in is to enable Assembly Members to review a Mayoral decision and consider whether they should overturn the decision. The process for this would be for a London Assembly Member to lay down a call-in motion in the chamber which would require a simple majority vote in favour and would lead to the decision being called-in. The decision would then go to the chamber where the Mayor or a Mayoral Appointee would be invited to explain the decision. At the end of the debate, the London Assembly would undertake a binding vote on the decision and could vote to approve or reject the decision by a simple majority. Between the call-in and the Mayor's appearance in the chamber, the

Mayor could amend the proposal and bring forward a revised proposal to the London Assembly to be voted upon instead.

Transfer the Mayor's planning powers to a Planning Decisions Committee. At the moment, the Mayor has the sole responsibility to decide the outcome of planning applications when they are referred to him, leading to a large amount of planning power resting with the Mayor. Instead, a Planning Decisions Committee should be set up and it should have responsibility for presiding over the referred planning applications to provide greater transparency and scrutiny into the planning decisions process. The Planning Decisions Committee should be comprised of Assembly Members and appointees of the Mayor.

Permit the London Assembly to approve all Mayoral appointees who are not Assembly Members. The London Assembly does not possess the power to scrutinise all of the Mayor's incoming appointments. Pre-appointment hearings and scrutiny of the Mayor's preferred candidates for a wider range of posts will help to ensure public confidence in these appointments. The London Assembly should have the power to veto or confirm these appointees based on a simple majority. In the absence of a meritocratic HR process, this will ensure that only those suitable for the job are selected for it.

Allow London Assembly Members to ask Urgent Questions. One of the problems with the current

scrutiny function of the London Assembly is that it is not sufficiently able to intervene in the democratic process and represent its electorate quickly enough. Too often an inquiry into an event will begin months after the event has taken place, once the public interest diminished and when that issue is no longer seen as relevant. The opportunity for topical questions needs to be increased. The London Assembly should mirror the system in the House of Parliament, whereby Members are able to request urgent questions. The Chair would decide whether their request is plausible and if so, would summon the relevant Deputy Mayor or Mayor to the Chamber to answer Members' questions. The sessions would not last longer than an hour and would take place either on the day or within a couple of days of the request being submitted.

Reform Mayoral Question Time so it occurs twice a month. Mayoral Question Time (MQT) is usually the main media event of the month and is the primary opportunity for London Assembly members to question and hold the Mayor to account directly in the Chamber. MQT should be reformed so that it occurs twice a month, which will allow the sessions to be shorter, sharper and more engaging than the current monthly one. Another issue with the current monthly session of MQT is that it runs for a fixed time and the Mayor's responses eat into the total time for the session. This provides an incentive for the Mayor to give long and unnecessary responses.

MQTs should be reformed so that the time limit for the Assembly Members to ask questions is abolished.

Grant the London Assembly legislative functions over licensing, trading and environmental issues. Much of this is still directly controlled by Westminster through primary legislation. Devolving local issues to the London Assembly would ensure a more efficient process, empower the London Assembly further and reduce the current burden on the Westminster Parliament, allowing it to focus on national issues.

By implementing the reforms set out above, the London Assembly will be in a position where it can hold the Mayor to account as effectively as possible and ensure that too much power does not rest with a single individual. This is important for safeguarding taxpayers' money and it is also important for democracy.