

London Assembly (Plenary) Meeting – 9 October 2013

Transcript of Agenda Item 4: Question and Answer Session

Darren Johnson (Chair): We move on to Agenda Item 4 and the main purpose of today's meeting is for the Assembly to put questions to our guests on the policies and work of Transport for London (TfL). We have the Mayor, Boris Johnson, in his role as Chairman of TfL and we have Sir Peter Hendy CBE the Commissioner of Transport. I am advised that neither of you wish to make an opening statement, so we can just crack straight on with the questions. The first question today, the lead-off question, is in the name of Assembly Member Jones.

18/2013 - New Bus for London

[Jenny Jones](#)

Will the cost of the New Bus for London push up bus fares?

Boris Johnson (Mayor of London and Chairman, TfL): Can I take that and just say that the answer is obviously absolutely not and fares decisions will be taken in due course. There are still discussions going on with Government about some of the abatements and the improvements that we could see in rail fares in particular. But on the New Bus for London, let us be absolutely clear that this is a fantastic piece of British technology that over the lifetime of its operation will actually be cheaper to run not just than a current diesel bus but also than the existing hybrid models. Therefore, it represents very good value for money, very good value for Londoners and it is a fantastic project which we intend to develop.

Jenny Jones (AM): I think that is not quite answering the question, but I will move on. If you are so confident, Mr Mayor -- and I want you to answer. I do not want Peter Hendy to answer the questions. I know he knows the answers. All right? I want you to answer them because they are political.

Boris Johnson (Mayor of London and Chairman, TfL): I am going to answer all your questions, Jenny.

Jenny Jones (AM): Will you publish a report showing all the facts and figures before and after so that we, the Assembly, can properly assess whether or not your new bus has been value for money and whether it has put up bus fares?

Boris Johnson (Mayor of London and Chairman, TfL): Of course, it will all be very clear in the business plan and in the budget. It is quite an amazing project and I think it would be very sad if people continue to bang on as they currently are about cancelling this programme. I have heard some muttering from the Labour ranks saying the first thing they are going to do, if, *per impossibile*, there were to be a Labour Mayor in this city or a Green-backed Mayor --

Jenny Jones (AM): That was not the thrust of my question. I could not care less what the Labour Group, nor what a future Labour Mayor might say. Can I ask it again, Mr Mayor? Can you not see a link between the rise in bus fares and the fall in --

Boris Johnson (Mayor of London and Chairman, TfL): No. I have answered that. I think you were not listening, Jenny. Absolutely not.

Jenny Jones (AM): If I may finish my question - the rising fares, the fall in bus ridership and the increase in car use. Can you see any sort of link between that, the fact that it is becoming more economical to use your car than it is to travel on the bus now?

Boris Johnson (Mayor of London and Chairman, TfL): No, we do not see any such correlations. To the best of my knowledge, ridership has been very strong on all modes, both on the Tube and on buses, throughout the recession. It has been remarkably resilient. Peter, do you want to comment on that?

Jenny Jones (AM): But bus ridership has actually fallen by 0.4% for the first time since 1998.

Boris Johnson (Mayor of London and Chairman, TfL): No. There are seasonal fluctuations. I think what you are referring to is people taking advantage of different ticket offers to --

Jenny Jones (AM): No, it is nothing about ticketing. Well, it is about prices of ticketing, obviously, but this is about actual bus ridership falling for the first time.

Sir Peter Hendy CBE (Commissioner, TfL): To answer the question about ridership --

Jenny Jones (AM): No, I do not want you to answer, Peter. Thank you so much. This is a political question. I know you know the answer. I want the Mayor to answer.

Boris Johnson (Mayor of London and Chairman, TfL): What a completely fatuous way to conduct proceedings. I think, if Peter has something useful to contribute about your distress on a temporary 0.4% fall in --

Jenny Jones (AM): No - you answer. The fact is, since you were elected in 2008, bus ridership has been flat-lining and it has finally shown a fall.

Boris Johnson (Mayor of London and Chairman, TfL): No, it has not. That is not true.

Jenny Jones (AM): It has and you can argue --

Boris Johnson (Mayor of London and Chairman, TfL): It has actually been going up continuously and that in spite of very adverse economic circumstances. It is one of the reasons why we have maintained a full bus service in London and I think we have a record of, as far as I can remember, about 8,300 buses on the streets.

Jenny Jones (AM): I am sorry. You are closing your eyes to facts and figures. I am sure you know that the average rise in all TfL fares over the four years during your first term in office was 25%. That is a massive rise. Then, of course, inflation was only 14%, so you were way over inflation. So you have pushed up the fares which has resulted in bus ridership flat-lining and now going down. Provisional figures from TfL say that in fact car journeys in London show a rise. That means everything is going in the wrong direction.

Boris Johnson (Mayor of London and Chairman, TfL): No, all modes of transport show a rise and that is because of the buoyant situation in the London transport market. People need to get around. I think all the people who said people can stay at home were completely wrong. Actually, to the best of my recollection, the use of cars in London over the last ten years has declined quite sharply. I seem to remember a figure of about 20% or so, so --

Jenny Jones (AM): No. There was a drop of 10%, not 20%, in the last 13 years. But, as I said, TfL's provisional figures for last year show that there was a rise. Do you not have those figures in front of you?

Boris Johnson (Mayor of London and Chairman, TfL): I do not have those figures in front of me because you asked about bus fares, Jenny. OK?

Jenny Jones (AM): Yes, but it is all linked, Mr Mayor. If you push up fares, you are going to reduce the number of people who can afford to pay and then it becomes more economical to use cars, which is a disaster for London. We do not need more cars on the road. I am sure even you would agree with that.

Boris Johnson (Mayor of London and Chairman, TfL): As I say, throughout the period of my Mayoralty - and I continually interrogate TfL about this - we are seeing strong demand in both the Tube and the buses and a continuous increase in demand for transport of all kinds.

Jenny Jones (AM): I think we are not getting anywhere. The real problem is that we cannot judge it because we do not have enough figures, so I am very pleased that you say you will publish a report on the before-and-after costs so that we can assess this. Thank you.

Boris Johnson (Mayor of London and Chairman, TfL): I am very happy to make sure that you have the figures, Jenny, but what you are seeing is an extraordinary success in TfL in managing a buoyant demand in our city. Yes, you are going to see occasional fluctuations up and down in demand for ridership on various modes, but overall the story is of extraordinarily strong demand and of a mass transit system that is meeting that demand very well indeed.

Jenny Jones (AM): See, my problem with the buses is it is actually extremely expensive. You put up bus fares by 1% and that generates £10 million. It hardly covers the cost of all the expenses on the bus, so what you are actually doing --

Boris Johnson (Mayor of London and Chairman, TfL): That is complete nonsense.

Jenny Jones (AM): You have to charge more in fares to pay for your Routemaster.

Boris Johnson (Mayor of London and Chairman, TfL): Jenny, I thought you said you just abandoned that line of interrogation because that is complete nonsense.

Jenny Jones (AM): You just irritated me into coming back at you.

Boris Johnson (Mayor of London and Chairman, TfL): I think you need to be a little bit consistent in your approach.

It is simply not true. As I said at the beginning, to answer the question that you have raised, the bus represents extraordinarily good value. If it is seriously proposed to cancel it, and I have seen various Members of the Assembly saying that that is what they would like to do, I can absolutely assure them and assure Londoners that all they would be achieving is to get rid of a fantastic new British brand with cutting-edge technology. They do nothing to improve air quality in our city and they do absolutely nothing to cut fares for passengers in London. All they would do, in fact, is put people in Britain out of a job and I do not think --

Jenny Jones (AM): Do you know what? That is such complete nonsense.

Boris Johnson (Mayor of London and Chairman, TfL): It is absolutely true.

Jenny Jones (AM): History is going to prove you wrong. History is going to show that this was a vanity project that you got into because you made stupid pre-election promises when you knew nothing about the situation of transport in London.

Boris Johnson (Mayor of London and Chairman, TfL): No, I think it will show the grief and distress of the Greens and the left that we have actually produced a product that is popular, is successful --

Jenny Jones (AM): I think you will find it is not as popular as you think.

Boris Johnson (Mayor of London and Chairman, TfL): -- delivers fantastic results in terms of its pollution and its carbon dioxide (CO₂) outputs, represents a cutting-edge piece of British technology and design and is a benchmark of quality and something that is pushing on design and technology in the bus industry.

Jenny Jones (AM): I think it is crackpot and inefficient, so we will just have to differ on that. Thank you very much.

Boris Johnson (Mayor of London and Chairman, TfL): I think we will, yes.

Joanne McCartney (AM): Yes. Mr Mayor, I want to raise an issue that you referred to in your last response to Jenny. That is about air quality. You say that your new bus is a greener bus, but of course around this Assembly we want action on air quality.

Boris Johnson (Mayor of London and Chairman, TfL): I am sorry. Say that again.

Joanne McCartney (AM): I am asking you about air quality, Mr Mayor. We want action sooner rather than later. One of the schemes that you have been promoting is the fitting of selective catalytic reduction (SCR) filters onto some bus routes that are going through Putney. What were the criteria when you decided which bus routes and which areas would get --

Boris Johnson (Mayor of London and Chairman, TfL): Which bus routes to choose? Peter and I will elaborate on the actual criteria that TfL used to choose the bus routes, I am happy personally for him to elaborate on that point. But obviously, what we would have been looking for is those areas where there has been an issue with bus congestion and consequent exceedances in pollution. I think that area -- is it Putney High Street?

Sir Peter Hendy CBE (Commissioner, TfL): It is.

Boris Johnson (Mayor of London and Chairman, TfL): I believe that has been a hot spot and, clearly, that would be a useful place to begin.

Joanne McCartney (AM): Perhaps I will ask my second question, then, and perhaps Peter could answer both together, if that would be helpful, Peter.

Sir Peter Hendy CBE (Commissioner, TfL): We have sought to deploy hybrids which have lower emissions and the technical modifications to existing vehicles which will reduce their emissions in places which, as the Mayor said, have exceedances, for example, Marylebone Road, Putney High Street and other places which are demonstrated to have poor air quality. We have deliberately allocated vehicles to those areas in order to improve air quality.

Joanne McCartney (AM): Air pollution is a silent killer and there is lots of evidence to show that bad quality air pollution actually is higher in areas of higher deprivation as well. In my constituency --

Darren Johnson (Chair): Can you just make sure this question - we are straying onto pollution - is focused on the New Bus for London and the pollution issue?

Joanne McCartney (AM): Yes, it is, because one of the alternatives obviously to spending money on the new bus is other alternatives. One of them is your filters. For example, in two of my wards, Edmonton Green and Upper Edmonton, we know that ten people die of air pollution every year. So what I am asking you is: will you look at other areas such as Edmonton, which of course is badly polluted because of the North Circular Road as well, as to whether you can roll this scheme out further?

Boris Johnson (Mayor of London and Chairman, TfL): Yes. The answer is yes, although one of the great advantages of the New Bus for London is that it does perform extremely well or better than current hybrids in reducing emissions, so that is one of the reasons why we are so determined to continue to develop the project.

Joanne McCartney (AM): Peter, can you look at the Edmonton area?

Sir Peter Hendy CBE (Commissioner, TfL): Yes, I think we can. You will have seen maps of air quality in London and clearly, as I have said, we are seeking to allocate vehicles with the lowest emissions to those areas in general. It is better to replace the bus fleet than it is to modify the existing fleet, which is one of the reasons that you do need a constant replacement programme. We will have a look. Of course, the proportion of buses in a place like Putney High Street is higher than it would be on the North Circular Road, so actually the consequent benefit as a whole is clearly better. But we look at the whole lot and there will be other areas where we will target these vehicles for pollution and indeed noise sometimes because the new bus is significantly less noisy as well.

Joanne McCartney (AM): Thank you. I will take you up on that.

Sir Peter Hendy CBE (Commissioner, TfL): Thank you.

Murad Qureshi (AM): Just to follow on Joanne's theme about the poor air quality, one of the other initiatives that you have made is the Ultra-Low Emission Zone (ULEZ) in February. You described it then as a "potential game-changing moment". Nine months later, does your policy actually lie in tatters and how can Londoners have any faith that you are really committed to tackling air pollution at all, Mr Mayor?

Boris Johnson (Mayor of London and Chairman, TfL): I do not think that is true at all, Murad. I think that actually we are making a huge amount of progress on bringing the industry, the taxi industry and the motor vehicle industry to understand the sheer scale of the ambition there is in London. As I have said to you before and to the Assembly, it is very important that we play fair with consumers and with manufacturers about what we are intending to do. This is something that I have gone over a lot of times now, I think, with Stephen Knight [AM] in particular who has asked about this.

The issue is: what are we saying? We are saying that from the introduction of the ULEZ from 2020 we are going to have a policy in central London that no new vehicle will be allowed to be anything but a zero-carbon or a zero-tailpipe emission vehicle or a virtually zero-tailpipe emission vehicle. We now think - and you are going to see some more announcements about this fairly shortly, I think, Murad - that, for instance with taxis, it may be possible to bring that deadline forward and we are looking at ways of getting on with that. I think that what is happening is that the message has gone out very clearly from London to the manufacturers and to the market that this is the way it is going and they have to get with the programme.

Murad Qureshi (AM): Mr Mayor, are you not guilty of announcing this initiative before the feasibility study, for example, was conducted? It is also a policy that will not kick in until 2020, long after you have gone. You have clearly just outlined that the details are still to be worked out. Is it not just really another half-hearted gesture?

Boris Johnson (Mayor of London and Chairman, TfL): No. On the contrary, you are seeing a real understanding across the market that this is what is going to happen. There is nothing like a legislative instrument such as this to spur industry to action. It would be

unreasonable to set a timetable of, say, 2015 or 2016 just because people are not yet in a state to deliver that. We have looked them in the eyeball and I really do not believe that they could comfortably deliver the technology by that time. You would risk doing serious economic damage to central London because you would be keeping out a lot of vehicles that need to go into it. So there is a balance to be struck. 2020 is a reasonable timescale to go for. We are now looking at whether we can start to accelerate it though because of the response that we are seeing from some players in the market.

Sir Peter Hendy CBE (Commissioner, TfL): If I can say, it is really helpful to me and Leon [Daniels, Managing Director, Surface Transport, TfL] to be able to say to manufacturers, "This is not just something we want you to do. It is backed by the force, in due course, of regulation". You have to give them long enough to make the technical development. It is the London equivalent of the European regulations for engine emissions in Europe, but it is a much more positive thing.

The other thing we are saying to them is that we have enough experience with hybrid vehicles now that they should not cost more than ordinary vehicles, so not only are we expecting to get this transferred to the taxi industry and not only will you see developments in zero-emission cars, but we are also saying they have to be economical. It is really helpful for it to be backed by the prospect of future regulation.

Murad Qureshi (AM): There are two further points I will make. The first one is, actually, Mr Mayor, what you have said. You first said it was going to be all vehicles that would be applicable for the ULEZ. In discourses with Stephen [Knight, AM] at the Assembly, you have said new vehicles. Then, when you have written to me, you have said all vehicles. Which is it?

Boris Johnson (Mayor of London and Chairman, TfL): All new vehicles. We have had this conversation several times but I am content to say it one more time. I do not think it is reasonable to apply it to all vehicles. I think that would do substantial economic damage and it would be unreasonable to consumers. It is reasonable to set a target for all new vehicles.

Murad Qureshi (AM): Finally --

Darren Johnson (Chair): We must keep on the New Bus for London.

Murad Qureshi (AM): It is on new technology as applicable to transport vehicles.

Darren Johnson (Chair): As it is applicable to the New Bus for London or otherwise in your questioning?

Murad Qureshi (AM): It is about confidence in the business sector in your suggestions, Mr Mayor and Peter Hendy. I am just wondering. I certainly have probably more confidence in their abilities to adapt and change. It is whether they have comfort in your message, in what you are saying and in what you want.

Darren Johnson (Chair): Can both of you confine your answers to the New Bus for London because we are drifting massively off topic?

Boris Johnson (Mayor of London and Chairman, TfL): So you want me to answer the wrong question? You do not want me to answer his question?

Darren Johnson (Chair): No.

Murad Qureshi (AM): I thought you want to go down this road?

Boris Johnson (Mayor of London and Chairman, TfL): By your leave, Chair, and through you, can I just say viewers will be watching us and they will expect an answer to Murad's question.

Darren Johnson (Chair): A brief one.

Boris Johnson (Mayor of London and Chairman, TfL): The answer is actually that the market is responding very vigorously to the clear timetable that we have set out and London is going to be leading the world in generating new low-carbon and zero-tailpipe technology.

Darren Johnson (Chair): Thank you. Assembly Member Knight on the New Bus for London, I hope.

Stephen Knight (AM): It is indeed on the New Bus for London. Thank you, Chair. Mr Mayor, you gave an answer to a question that I tabled recently at a Mayor's Question Time meeting that said that you had no plans to convert the early versions of the New Bus for London which will only be Euro 5 compliant to the new Euro 6 compliant drivetrain that will be standard issue from January, I understand, for all buses, not just the New Bus for London. So we will have, I guess, for some time Euro 5 New Buses for London driving around.

Given that you have said that the ULEZ -- and I have to say your letter to us telling us the rules for low emission zones is slightly different from what you have said orally, but in terms of what you have said in your letter, that ultra-low emission is considered to be Euro 6, the fact that you said --

Boris Johnson (Mayor of London and Chairman, TfL): I can see where you are going.

Stephen Knight (AM): I guess the issue is: will the --

Boris Johnson (Mayor of London and Chairman, TfL): Will the existing buses be able to drive around?

Stephen Knight (AM): Will the early versions, the 'mark one's, be excluded from central London from 2020?

Boris Johnson (Mayor of London and Chairman, TfL): No. I understand this perfectly --

Stephen Knight (AM): If they are excluded to outer London, in effect, is the New Bus for London really a suitable bus for outer London?

Boris Johnson (Mayor of London and Chairman, TfL): No. OK, let me dismiss that. I see where you are coming from. It is a perfectly reasonable question. The answer is no. Peter may want to correct me, but to the best of my understanding we would want to -- the New Bus for London is fantastically clean technology and it represents a very high standard already. I think it would be foolish to banish it. What we are trying to do by the ULEZ is to encourage a generation across the market, across taxis and across private vehicles of zero-tailpipe emission vehicles generally by 2020. But, as I have said repeatedly, in that new universe there will of course be plenty of vehicles including the New Bus for London that will continue to circulate by right and that is reasonable. In the end, in 20 years' time or whenever, it may be possible to retrofit them to make them cleaner still but, in the end, they will be replaced by even cleaner vehicles.

Sir Peter Hendy CBE (Commissioner, TfL): So the current vehicles that are being delivered for new buses are cleaner than anything else that either we can buy or is operating.

Stephen Knight (AM): Thank you. I think I have an answer. I do not want to use up any more of my time, so thank you.

Andrew Dismore (AM): Can you agree with London TravelWatch that when you are planning bus routes you should take account of the faith and cultural makeup of Londoners? It is a straightforward question.

Boris Johnson (Mayor of London and Chairman, TfL): It is certainly the case that when we put in our facilities we go to considerable lengths. Are you referring to the need to have special crossings that are appropriate for the Sabbath?

Andrew Dismore (AM): No, I am actually referring to your repeated commitments and promises and so on in relation to bus routes, particularly for the Jewish community, from Stamford Hill to Golders Green. This has been on the cards since 2009. You have made various comments and promises and half-promises since then about this. TravelWatch in 2009 identified a need for this bus. That need has in fact grown since they did their survey. What are you doing about this commitment? Are you going to provide this bus or not?

Boris Johnson (Mayor of London and Chairman, TfL): My memory is that there was a controversy about a left-turn or a right-turn and, whatever it was, we sorted it out. Was it in Stamford Hill? I do remember there was a discussion with residents there who were very ably represented by the local Conservative councillors who made their point very well.

Andrew Dismore (AM): What has happened to the route?

Boris Johnson (Mayor of London and Chairman, TfL): We were able to help them out. I have to say, Andrew, I do not remember the issue you are talking about.

Andrew Dismore (AM): The last time was July 2012 in answer to a question from me about extending the route 210, which in fact used to run this route in 1976 until it was stopped. You said then you were going to ask TfL to look into it and see what was going to be done and nothing has happened. Why not?

Boris Johnson (Mayor of London and Chairman, TfL): With great respect to you and your Zeus-like powers, Andrew, there is a difference between my asking TfL to look into a matter and changing the route.

Andrew Dismore (AM): That was the last occasion. Are you a man or a mouse? Are you going to make this happen or not?

Boris Johnson (Mayor of London and Chairman, TfL): As I say, not every change that you request is necessarily a change that --

Andrew Dismore (AM): It is not what I am requesting. It is what thousands of Londoners have requested who want to travel from Golders Green to Stamford Hill and the other way around.

Boris Johnson (Mayor of London and Chairman, TfL): As you know, in all these conversations, there are winners and losers. There will be an argument to be made on either side and --

Andrew Dismore (AM): So the Jewish community are the losers of the election, are they? The Jewish community are the losers again?

Boris Johnson (Mayor of London and Chairman, TfL): If you will allow me to finish my answer, we will obviously renew investigation of this matter. But as far as I understand it from Peter's remarks on this, a change through Finsbury Park seemed to be his view on the matter. You change at Finsbury Park if you want to --

Andrew Dismore (AM): It makes the journey a really long journey.

Boris Johnson (Mayor of London and Chairman, TfL): -- pursue the journey that you are talking about. I am sure that your lobbying will be observed. People will note that you have lobbied again and I am sure that --

Andrew Dismore (AM): That is not the point.

Boris Johnson (Mayor of London and Chairman, TfL): -- will be marked down as a point in your favour, Andrew, that you have renewed your lobbying.

Darren Johnson (Chair): Can I suggest that as we are again straying massively off topic that the Mayor makes his --

Boris Johnson (Mayor of London and Chairman, TfL): I do not know whether you got a New Bus there.

Andrew Dismore (AM): You can give me a new bus. I am not bothered.

Boris Johnson (Mayor of London and Chairman, TfL): Do you want a new bus then?

Andrew Dismore (AM): A new bus, old bus, any bus.

Darren Johnson (Chair): Can I suggest that the Mayor updates the Assembly in writing on this? I think we are again drifting off topic from the New Bus for London. Are there any more questions on the New Bus for London? No. We will then move on to the question in the name of Assembly Member Knight on step-free access.

19/2013 - Step-free access

[Stephen Knight](#)

When will all Crossrail stations have pavement-to-train step-free access?

Boris Johnson (Mayor of London and Chairman, TfL): Yes, thanks very much, Stephen. This is a question about step-free access on Crossrail trains. Let me just explain some of the detail. It may be of benefit to the Assembly to know the full picture.

Crossrail is an extraordinary scheme and we will be putting in nine new central London stations. Of course, all of those will have step-free access. There will further be delivered new step-free access from street to platform at 13 existing stations, new Crossrail stations, which do not currently have step-free access. There remain 7 Crossrail stations of the 38 altogether that will not on the current plans have step-free access. What we have agreed with the Secretary of State for Transport [Patrick McLoughlin] is that we are going to set out a programme to install step-free access on all of those Crossrail stations, many of which are 150 years old. They have never had step-free access in history, but we are going to do it. It is very important that we should do it in a sensible way and that means we are going to start with the stations where footfall is greatest.

Stephen Knight (AM): Can you tell me, Mr Mayor, by what date all of those seven stations will have step-free access?

Boris Johnson (Mayor of London and Chairman, TfL): I can certainly tell you that it will not be by 2018, which is when Crossrail is complete, but it will be --

Stephen Knight (AM): Do you have a target date, Mr Mayor?

Boris Johnson (Mayor of London and Chairman, TfL): Do we have a target date? We do not have a target date yet but there is a clear undertaking from the Department that we will work together on a programme to do all of them.

Stephen Knight (AM): Mr Mayor, have you costed a programme to make those seven stations step-free access?

Sir Peter Hendy CBE (Commissioner, TfL): Would it be helpful if I told you where the programme was? The original Act for Crossrail did not demand step-free access at those stations, two of which actually are outside London. Howard Smith has taken over as the Operations Director for the future service. He has looked at those stations in respect of the good work that we have done on Overground stations, by which we have managed to make some of them accessible much more cheaply than in previous schemes. That is really what we are discussing with the Department, which is how cheaply we can do these.

I am very confident, actually, that in respect of the ones with the greatest footfall we will get there by 2018 and I am getting increasingly confident about the remainder. Hanwell has a few hundred passengers a day and it has been open since 1838 and it has never had step-free access. We are looking very hard at doing what we can to produce an economic scheme.

The other point is that actually they are currently National Rail stations. They should be paid for and they would normally be paid for out of the Department's Access for All funding. So if we can get schemes that are cheap enough, they will rise up the priority list. I think there is a really good case because the rest of the railway is step-free that we should do these stations and when the work on Hanwell is finished, which will only be in a few weeks' time, we will know how much it cost and we can renew our pressure on the Department.

Stephen Knight (AM): So you hope that most of them will be done by 2018. You do not know quite how much it is going to cost yet. You think most of them are outside London. Actually, most of the seven are inside London.

Boris Johnson (Mayor of London and Chairman, TfL): No, he said two of them are outside.

Sir Peter Hendy CBE (Commissioner, TfL): Two of them are outside London, which are Taplow and Langley.

Stephen Knight (AM): OK, so most of them are inside London. Sorry, I misheard that. Clearly, we have a brand new state-of-the-art railway service starting in London. It is not really acceptable that we do not have step-free access to all the stations.

Boris Johnson (Mayor of London and Chairman, TfL): That is the point. Of course, yes. We understand that and that is absolutely why the programme is being put in place. This was something that we raised at a meeting with the Department I think a few months ago and this programme is being set in place. It will not be cheap and people should understand that when they call for these things there are cost impacts for us and for our budgets, but I think that is the right way forward. You have to start where the ones where most people are using them. I think that is a sensible thing to do. As Peter says, some of these are historic stations which have never had it.

Stephen Knight (AM): Indeed, and there are many historic stations where step-free access has been retrofitted and one would hope that these stations can be included in that programme.

Can I just question on the costing? I am aware for instance that at Greenford Station Ealing Council says that installing a lift at the station there would cost just £2 million, not the £10 million that Network Rail are estimating.

Boris Johnson (Mayor of London and Chairman, TfL): If the Council wants to pay for it --

Stephen Knight (AM): Clearly, there is a lot of work needed, is there not, to get cost-effective solutions in place?

Sir Peter Hendy CBE (Commissioner, TfL): Greenford is our station and so a Network Rail estimate is not valid. We are very clear that the sorts of things we have done with the Overground stations which are proportionate to the usage and still give step-free access is the right way to go. There is a London Underground solution at Greenford which is actually quite a cheap solution.

As the Mayor says, if any local authority wants to guarantee to install it at their own cost, they can look at any cost they want. The truth is that this stuff has to be put in a public environment. It has to work 18 or 20 hours a day, 7 days a week, and we want it to be reliable. In fact, I would like it to be more reliable than quite a lot of the installations that we already have. So it is not a cheap process and if you go to Hanwell and have a look, one of the issues is that because it is a very old station, it never had luggage, it never had lift shafts, so you have to find a way of putting --

Stephen Knight (AM): I appreciate these are sometimes difficult things. Can I ask one more question? Clearly, we are promoting Crossrail 2 now. Can you be absolutely clear that the same issues will not arise when Crossrail 2 is planned and that all stations will be accessible from day one of the new service?

Boris Johnson (Mayor of London and Chairman, TfL): I think we need to get back to you on that.

Sir Peter Hendy CBE (Commissioner, TfL): It depends where it goes. If Crossrail 2 is a regional scheme and connects stations in the Upper Lea Valley and quite a large proportion of the South West railway network, then the same issue will apply. Having said that, I think that as the accessible scheme goes forward with the Department, more and more of those stations will be accessible.

My guess - and I am sure the Mayor would agree - is that it is becoming increasingly unlikely actually that any new railway will be promoted, whether or not it serves new stations or existing stations, without fully step-free access. It was a surprise to me actually that Parliament passed the current Crossrail Act without ensuring that all the stations were accessible and indeed without providing the funding for it.

Jennette Arnold OBE (AM): Yes, thank you, Chair. My first question is to Boris and it follows on from the questioning of my colleagues because it is a good day for clarity, it seems. Mr Mayor, on Channel 4 on 28 July you said that the seven stations that we are talking about - Hanwell, Manor Park, Maryland, Seven Kings, Taplow, Iver and Langley - would be made accessible. So why is it you are now sitting here and giving a different story and reneging on that statement?

Boris Johnson (Mayor of London and Chairman, TfL): I am not. I am saying -- sorry, unless I have --

Jennette Arnold OBE (AM): You said that they would be made accessible.

Boris Johnson (Mayor of London and Chairman, TfL): Yes, that is what I have just said this morning, so I think we both just said that.

Jennette Arnold OBE (AM): No, you have not. You have said that those seven stations will not be because you will be making the other stations accessible because of footfall.

Boris Johnson (Mayor of London and Chairman, TfL): No, sorry, Jennette. I think perhaps we were not clear enough.

Jennette Arnold OBE (AM): OK, let us have some clarity.

Boris Johnson (Mayor of London and Chairman, TfL): With great respect, I think everybody else understood what I was saying. What I said was that there are currently seven stations that are not accessible and will not be by 2018. The ambition, and what we have said very clearly, is that we have a programme now agreed with the Department for Transport (DfT) to put all those remaining seven into the programme to make them all accessible but starting with the ones where the footfall is greatest because, as Peter was saying, there are some where you have only a couple of hundred people every week or every day. So, there, you would have to question whether in tough times you wanted to put your money there first. Please be in no doubt. There is a strong determination to do that. I think what Peter was also saying is that Howard Smith is now working out the costs on the programme --

Jennette Arnold OBE (AM): No, I heard what Peter said. I was just trying to pin you down because I was concerned that you were not in the same place as everybody else because --

Boris Johnson (Mayor of London and Chairman, TfL): No, I think it was you who possibly was not in the same place.

Jennette Arnold OBE (AM): -- Transport for All and all the campaigning groups have campaigned for this, so I am glad that we are all in the same place.

Can I just say to Peter that what I do not understand is why TfL is failing to comply with the public sector Equality Duty and why I am not able to get a copy of the Equality Impact Assessment that you would have done in order to come to a view that you are only to go for

footfall, so you could be saying to me you understand the needs of people with disabilities at any of these stations? If you have not done that work, irrespective of the fact that there are only 100 people, it could be that the majority of those people are people with disabilities. It could be that the majority of those people are women who need to get access to our transport. So why have you not got a case to --

Boris Johnson (Mayor of London and Chairman, TfL): Well --

Jennette Arnold OBE (AM): No, not you, Mr Mayor, because I think this is TfL because the latest thing that Sir Peter did was actually to remove conductors from the Overground network and they were providing a support in terms of accessibility for passengers with disabilities and certainly, at night, women felt safer on that service. So where is the Equality Impact Assessment that you have carried out?

Sir Peter Hendy CBE (Commissioner, TfL): It is all overridden by the fact that the Act of Parliament for Crossrail did not require those stations to be accessible. It is not me who made a choice about which ones were not accessible. The Act neither provides for them to do that, nor provides any funding for it to be done.

Having said that, I think it is self-evident that the way to deal with the remaining stations is to deal with them principally in priority order of the amount of usage. There is no evidence that the patronage at each of the seven is any different in its makeup from the patronage of the railway generally. In any case, our ambition is to do them all. Actually, my surprise is that the original Act did not require it, but we are going to do our best to do it.

If there is any reason why there is doubt in our voices, it is because these stations are currently on the National Rail network. They are currently the responsibility of the DfT. In our strong opinion, it is they who should pay for it.

Boris Johnson (Mayor of London and Chairman, TfL): But there is obviously a programme now being worked on. There is not some feud between us and the DfT about this. We are working very closely to try to --

Jennette Arnold OBE (AM): It is OK. You talked about evidence, Sir Peter. Can I come back to you away from this meeting about this evidence because I would like to see that? That is not available. I have been trying to get an understanding of how you are making these decisions.

Sir Peter Hendy CBE (Commissioner, TfL): I have not made any decisions because actually the decision was made for me. But what I am saying is that we are working hard to make them all accessible and actually seeking to do them in the Department priority order of the number of people using them, which is actually adopting the Department's criteria for moving stations up the list in the Access for All funding.

The other point you would of course expect me to make is that when Crossrail starts there will be more passengers. So one of the first things we have said to the Department is these stations should move up that list because in 2018 the patronage will improve.

Jennette Arnold OBE (AM): OK. Can you just answer the question about why not keep conductors on that bit of the Overground, given that you would have made a decision that they were necessary? Why now have you pulled them off and did you carry out an impact assessment then?

Sir Peter Hendy CBE (Commissioner, TfL): The proposal to remove the conductors from the North London Line and the other parts of the Overground has not fundamentally been about passengers at all because the East London Line, which is the same part of the Overground, has never had conductors. The second person on the train was there because of historic reasons and the extent and the operability of the National Rail radio network --

Jennette Arnold OBE (AM): What does that mean?

Sir Peter Hendy CBE (Commissioner, TfL): -- and now that communications are fixed, there is no need for a second person on the train. There is no evidence that there is a difference in accessibility from the East London Line. In fact, there is an improvement in accessibility because those stations were built with accessibility and actually removing the conductors will, frankly, make no difference.

All of the evidence shows that the thing that people value the most and the thing that has made the most enormous difference on the Overground is staffing the stations at night, which I think you all agree with, and staffing stations throughout the full traffic day. The thing that has made the most impact both on the North London Line and the Euston-to-Watford Line and particularly on the Gospel Oak-to-Barking Line is that the stations are not like the 'wild west' after 6.00pm in the evening. It is not somebody on the train that matters or a second person on the train. It is the safety of the stations and that has been a consistent policy supported by the Mayor. That will continue to be the policy on our railways.

Boris Johnson (Mayor of London and Chairman, TfL): There is a fabulous article. Can I commend to you and to everybody a fabulous article? Actually, I think it is in *The Economist* this week about the success of TfL on the Overground and the success of the Overground plan --

Jennette Arnold OBE (AM): No, Chair, I am not asking about the success. We all share the success. It was about two specific issues of access and I will follow it on outside the meeting.

Boris Johnson (Mayor of London and Chairman, TfL): You all share the success and the failures.

Darren Johnson (Chair): Again, we need to get back on topic, so I am looking to Assembly Member Evans to pull us back onto the issue of Crossrail and step-free access.

Roger Evans (Deputy Chairman): Thank you, Chairman. That should not be too much of a challenge.

Seven Kings Station is one of the Crossrail stations in my constituency and we were very disappointed that disability access was not included in the original Crossrail build because we were led to believe that it would be when Crossrail was promoted to my constituents. Can you just give us an assurance, Mr Mayor - and I suspect given what you have said already to Jennette that you will be able to do this - that Seven Kings will be included in this?

Boris Johnson (Mayor of London and Chairman, TfL): Of course, Seven Kings is going to be on the programme and we will get it done. I am told it is top of the list because, as we have been saying, it is a high-volume station. When exactly we can deliver it will depend on the outcome of the work we are doing to bottom out the costs and the timings, but we are certainly going to do it.

Roger Evans (Deputy Chairman): Thank you. That is very good news. I have a question for Sir Peter as well. I was particularly pleased to hear that you have reviewed the cost of disability access to Overground stations with the aim of making the schemes more affordable. Does that mean that the access scheme for Newbury Park Station on the Central line is going to be put further up the list as well?

Sir Peter Hendy CBE (Commissioner, TfL): That is more difficult, Roger, because Newbury Park is a tunnel. The things that have made --

Roger Evans (Deputy Chairman): No, it is not a tunnel. It is the first station after the train comes out of a tunnel.

Sir Peter Hendy CBE (Commissioner, TfL): I am sorry. I am getting old and stupid. It is not a tunnel and, yes, we are looking at the --

Roger Evans (Deputy Chairman): It is in a cutting.

Sir Peter Hendy CBE (Commissioner, TfL): I am terribly sorry. Newbury Park is on the Central line.

Roger Evans (Deputy Chairman): Yes.

Sir Peter Hendy CBE (Commissioner, TfL): For all the stations that are not in tunnels, the things that we did on the Overground with the existing stations to deliver step-free access in a cost-effective manner; we are reviewing what we can do. It is the ones in tunnels which are expensive because Tube stations in general, where they had lifts, curiously when they were built the lifts actually never, ever went down to platform level. They always went down to a landing and then there were steps. In anything above-ground, we are seeking to review how much it might cost and therefore how many we can do because there are some techniques that we know will work. In respect of stations above-ground, whether they are in cuttings or at ground-level or above it, actually we can deliver it more cheaply than we might have done in the past.

Roger Evans (Deputy Chairman): You would be very welcome to come and visit Newbury Park with me, just to confirm that it is actually in a cutting, though.

Sir Peter Hendy CBE (Commissioner, TfL): I am terribly embarrassed for mistaking whether it was underground or not and I do not generally make that mistake.

Roger Evans (Deputy Chairman): I think one of the things that you would see if you visited it with me on a Saturday or Sunday is that it is used as the alternative dropping-off point for passengers from all over Essex and East Anglia when the main line from Ilford into Liverpool Street is closed for engineering work. Obviously, that will continue to be the case for Crossrail as well, which is why that station is relevant to Crossrail and is important.

Do you not think that a station which is so busy on a Saturday should be a priority for disabled access?

Sir Peter Hendy CBE (Commissioner, TfL): It is very clear to us, having already done all of the easy places, the ones which are at ground level, the ones where you can just put a path down or a ramp and do it, that the way to proceed with this subject with the available funding is to look at it doing it in the cheapest way relative to the largest number of people.

Having said that, actually our ambition when Crossrail is running and before it gets there is that the main lines are not shut for engineering works as often as they are now and we are doing quite a lot of work. I think that most people would accept and there is a case that we have been looking at, the South London Line, recently. Actually, the National Rail engineering works are now lagging behind our own in terms of the amount of time the lines are shut and how many lines are shut. I think that the people who are living on the Crossrail corridors into Liverpool Street and out from Paddington ought to expect with a set of new trains and a brand-new service that is not shut for engineering works most weekends. We are doing a lot of work to achieve that.

But to answer your original question, we are looking at these places in order of the effect that it has, making it accessible, and that is why when Crossrail opens it will make such a fantastic difference because all the central London stations will bring accessibility immediately to hundreds of thousands of travellers a day.

Kit Malthouse (AM): Mr Mayor, it is a great pleasure to be here and share in your success.

Boris Johnson (Mayor of London and Chairman, TfL): Thank you, we all share.

Kit Malthouse (AM): I hesitate to sound like a broken record, but there was one question that I have asked you and Sir Peter every year that you have appeared, which is about step-free access at South Kensington, which Peter will know gets more people through it every year than Gatwick Airport and is not currently step-free. I wondered if there were any nascent plans to give access to the fantastic cultural offering around that station to those who need step-free access.

Boris Johnson (Mayor of London and Chairman, TfL): As I remember the issue - and you will forgive me if I get this wrong, I hope - the step-free access itself is very expensive, from

memory, but it could be funded if local residents were more willing to accept development over the site. I think that is one of the problems we have there.

Sir Peter Hendy CBE (Commissioner, TfL): Roughly speaking, that is true. We have had several schemes in the past for development at South Kensington. None of them have been found to be acceptable by either the local authority or as a consequence of what the local authority are accepting in terms of the return to the developer. We are continuing there and in a number of other places to seek schemes that will do it. You will know that at South Kensington, unfortunately, some of my predecessors put in escalators down to the Piccadilly line and managed put them straight through lift shafts which, had they left them, would have allowed that access, which is a real shame but you cannot go backwards. I think that step-free access at South Kensington still depends on finding an acceptable development.

Kit Malthouse (AM): A couple of things. The slight disappointment is that obviously South Kensington is being held to a different level of compliance than other stations, who are not required to have development to pay for their step-free access. So, for instances, the residents around Green Park were not required to have some kind of development to pay for step-free access to that station. This is, of course, a strategically important station for all the museums and galleries and all those other institutions around there that drive a massive volume not just for our residents but for tourists and businesses.

The second thing is, though, would it be possible to bring forward a plan to make it partially step-free, so from the District and Circle line platforms, which are just sub-surface, rather than having to go the whole hog and do the Piccadilly as well? At the moment, anybody who wants to access that area has to get off at a station some way away and get on either a bus or a taxi to get to any of the museums.

Sir Peter Hendy CBE (Commissioner, TfL): Certainly, to answer the latter point first, we would look at all those stations about whether some accessibility can be produced rather than none.

I agree with you. The footfall is very large. One of the difficulties is that at the top level, frankly, however architecturally beautiful the 1880s buildings are, they are not suitable for present-day use, so you have to be projecting step-free access into an environment which is 21st century. Green Park was of course paid for out of Olympic funds because it connected the Jubilee and Piccadilly lines.

I am sure you are right that actually we have to have South Kensington at the top of the list. But the most likely way that it will happen in the immediate future, given the funding issues that we have, is through a successful redevelopment. I think many people would argue that such a thing is due. The question is finding one that is acceptable to the local community.

Roger Evans (Deputy Chairman): OK.

20/2013 - Public subsidy

Valerie Shawcross

Do you plan to transform TfL so that it no longer requires a public subsidy?

Valerie Shawcross CBE (AM): I am hoping for a reply first from Sir Peter, if I may.

Sir Peter Hendy CBE (Commissioner, TfL): I do not and I think that you might want to hear from the Mayor about that. We have been in a position for some time now where a combination of Government policy which has looked for a higher proportion of the costs of running public transport to be paid for by fare-payers and a reduction in subsidy has formed the basis of how we produce a budget and business plan. We are doing our very best and I think we have been quite successful to reduce the costs of running the organisation, including by efficiencies.

I think it would be remarkable if we ever managed to run an organisation like this without public subsidy. We would certainly be unique in the world and I was remarking to the Mayor on the way down this morning that we are beginning to find people coming to see us from other cities now to understand how we can run such a comprehensive network with so little subsidy. It is certainly much less than comparable cities in Europe and America, for example. In particular, you will all be familiar with the fact that London is growing by 70,000 or 80,000 people a year and that really poses a particular challenge. My predecessors, when I started, were managing a system where the population of London was in decline and so was the level of service we produced. Now we are producing extraordinary levels of service in circumstances that my predecessors never envisaged.

The Underground in fact already runs without an operating subsidy, though it demands huge amounts of capital investment and some of it is still very old. I do not think that it is a proposition that would be at all easy to achieve and you can see the result in terms of the levels of fares and charges that we have to do. I have always thought that our primary aim in doing this - and it is supported by the London Plan and the Mayor's Transport Strategy - is to produce a transport system that enables Londoners to get to work, to get to hospitals, to get to schools and to make a contribution to the way in which the city works. The proposition to run it completely without public subsidy seems to me to be a pretty extraordinary one.

Valerie Shawcross CBE (AM): If I can just come back on that, Sir Peter, when David Goldstone [Chief Finance Officer, TfL] came to the Budget and Performance Committee recently, he did say something along the lines of,

"I think the trend we are on is to try to become more and more self-reliant, if you like, from the operating point of view. We may get to a point where we can break even on the operating costs side."

The reason why that is worrying, of course - and I appreciate it is the reduction in Government operating subsidy, about £200 million a year seems to be the pattern - is that at the moment the fares and income are about 60% of the operating costs of the service and it holds out the

scenario where either there would be enormous service reductions or there would be a massive increase in fares.

You mentioned, Sir Peter, the demand on the bus services. I think the bus services, as you say, particularly need subsidy. At the moment, there is a growth and development plan for rail and for the Underground, but the only major service - and it is the most major service - without a growth and development plan to deal with those 70,000 additional people a year is the bus service. So how do you grow that service in a situation of declining subsidy?

Sir Peter Hendy CBE (Commissioner, TfL): One of the obvious balances to this equation is that it is about cost, so we have engaged in an enormous cost-reduction programme and we have not finished devising ways of doing what we do more effectively and at a cost less than we did it last year.

In respect of the bus service, we are still in the position currently where Leon Daniels and I think that we can continue to cope with a growth in demand. Actually, there is a year-on-year continuing growth in demand, though it is of the order of 1% or 2%, generally. We think we can continue to do that at least in the short term by reallocating the mileage from one place to another. We debate ourselves as a management how much longer we are going to be able to do that, but one of the grounds for cautious optimism is that so far we have found ourselves able to do it by shifting the odd bus. What matters in the bus service is the peak of the peak where actually it would be a lot easier and a lot cheaper to run it if you actually left people at stops for 10 or 20 minutes, but that actually that really would be damaging for London's economy. We have so far been able to do that. I would like to demonstrate that we could continue to do it for a bit longer.

With the population growth and in outer London, I think that eventually we will get to the end of that. But that is rightly the test that we should be given as managers because that is the test. Every peak bus costs you about £330,000 a year and every peak bus that we can avoid putting into the service means that we do not increase the cost of it. We have twice the bus occupancy in London of anywhere else in the country. It is an average of 17 people, which includes nights, Sundays, the ones that come out of the garage at 3.00am in the morning and the peaks, and I think that we can continue to show that for some time. In the end, it may be that we will have to have some more mileage. I am not sure that Leon [Daniels] and I would care to predict when that is.

Valerie Shawcross CBE (AM): OK. I think we will come back to you as the Transport Committee. Before I move on to the Mayor, can I just ask you about something else, Commissioner, that has come up recently? You are probably aware of the rip-off congestion charging website, www.paylondoncongestion.com, which takes £16 off people to pay for their £10 congestion charge.

Boris Johnson (Mayor of London and Chairman, TfL): Yes, it is a scam.

Sir Peter Hendy CBE (Commissioner, TfL): It is an outrage.

Valerie Shawcross CBE (AM): I have had casework on this and I know the Public Liaison Unit has, too. Trading Standards tell me that it is not on the face of it illegal. But I would have thought TfL could close this rip-off operation down by refusing to accept payments from them as a third party. Is there something you can do to stop London drivers being ripped off by this website?

Sir Peter Hendy CBE (Commissioner, TfL): There are three things we can do. Firstly, make it absolutely clear as far as we can that the only way to pay this is directly to us, which we do. Secondly, we complain through the Office of Fair Trading (OFT) and the Trading Standards people, which we have not had much response to, but curiously if you make enough noise for a few days those sites disappear down the Google list and then drift their way back up to the top. The third thing that I think you are getting out is that we are now going to have a look at the scheme order, to see whether through the drafting of the scheme order we can prevent people from passing themselves off as something which we can do ourselves.

Boris Johnson (Mayor of London and Chairman, TfL): Surely it is illegal?

Sir Peter Hendy CBE (Commissioner, TfL): Well, if it were, you would expect the Trading Standards people and the OFT to take immediate action and we cannot get them to take any immediate action.

Boris Johnson (Mayor of London and Chairman, TfL): It is a deception, I think.

Val Shawcross CBE (AM): I think part of the problem is the website is based in Panama, but I take it that your intent, Sir Peter, on dealing with this and it would be good to see some action from TfL.

Sir Peter Hendy CBE (Commissioner, TfL): We are. I think our way round it might be to change the scheme order to make it clear that we just do not accept payment from anybody else. It is even quite difficult to identify where the payments are coming from, because they have to be a large enough volume for you to identify what they are. Sometimes large enough volumes come from people who pay large amounts of --

Val Shawcross CBE (AM): I would just like an assurance that you are going to try to deal with this.

Sir Peter Hendy CBE (Commissioner, TfL): Yes, I will.

Val Shawcross CBE (AM): Good. Before I finish, can I come to you, Mr Mayor?

Boris Johnson (Mayor of London and Chairman, TfL): Certainly.

Val Shawcross CBE (AM): I have been having this big-picture scenario conversation with Peter about how basically the budget is being restructured and there are service pressures building up. One of the things I noticed is the Greater London Authority (GLA) has not asked TfL for a business plan which goes up to 2020. We have a 2020 Vision plan but we do not have

a business plan that matches it, either to deliver the 2020 Vision or to actually make public this huge debate, really, about the removal of the public subsidy from TfL.

Boris Johnson (Mayor of London and Chairman, TfL): I just want to be very, very clear --

Val Shawcross CBE (AM): Are we going to get a 2020 business plan?

Boris Johnson (Mayor of London and Chairman, TfL): What you certainly not going to get is the removal of public subsidy from TfL because that would be insane. I think people understand that and there is no way a massive city like London with huge need to invest in capital programmes of all kinds can conceivably hope to run on a subsidy-neutral basis. That is, I think, very unlikely because of the antiquity of our infrastructure and the constant need to improve it and, as Peter has just been explaining, the constant population pressures.

Val Shawcross CBE (AM): It is the revenue operations I am talking about, Mr Mayor. It is the operational subsidy that is going down £200 million a year at the moment.

Boris Johnson (Mayor of London and Chairman, TfL): I think most fair-minded observers would look at what TfL secured in 2010, the budgets, not just for Crossrail but all the upgrades of the Tube, the very substantial long-term financing for TfL. I think most fair-minded people would say we that actually did well in persuading the Government you need long-term investment.

Val Shawcross CBE (AM): We are not arguing about the capital programme, Mr Mayor, we are talking about the figures that show there have been two years now when we have lost about £200 million off the revenue subsidy.

Can I just take you back to the comments that you were making earlier in the week about season tickets?

Boris Johnson (Mayor of London and Chairman, TfL): Yes.

Val Shawcross CBE (AM): You were saying how good it would be to have tax breaks for season ticket purchasers. In your article you said, "A hopelessly blunt fare freeze would benefit tourists and casual passengers", and you said, "They do not deserve help". When you say casual passengers do not deserve help, does this mean you have actually now dropped your stated intent to bear down on fares?

Boris Johnson (Mayor of London and Chairman, TfL): No, come on.

Val Shawcross CBE (AM): Do you not think casual workers and part-time workers and people on zero-hours who cannot get season tickets also deserve help on the fares?

Boris Johnson (Mayor of London and Chairman, TfL): Look, I was making it perfectly clear that I was referring to people such as myself who make once-in-a-blue-moon shopping trips, for which the cost of the transport is not material, on buses. There is no question that

there are better ways of targeting a fares abatement, in my view, and I think that the proposal that I was outlining is a very sensible one because what you would do is you would allow people a significant tax break on their season ticket, which would be a great advantage to --

Val Shawcross CBE (AM): I think we understood the season ticket proposal. The question, Mr Mayor, is how --

Boris Johnson (Mayor of London and Chairman, TfL): I think it may be of advantage to our viewers to hear it again because they may not know what this idea is.

Val Shawcross CBE (AM): How would you help the pay-as-you-go payers? How do you help people who are not in such regular work that they can take benefit --

Boris Johnson (Mayor of London and Chairman, TfL): There is no reason why they should not be included, absolutely no reason.

Val Shawcross CBE (AM): A season ticket?

Boris Johnson (Mayor of London and Chairman, TfL): Yes, of course.

Val Shawcross CBE (AM): Somebody who is working two days a week, maybe, or a freelancer who works irregular hours, irregular --

Boris Johnson (Mayor of London and Chairman, TfL): Yes. I do not see --

Val Shawcross CBE (AM): How do they get a tax break for their fares?

Boris Johnson (Mayor of London and Chairman, TfL): Because they would deduct it from their taxable income with the agreement of the Revenue. I do not see why that is such an enormous obstacle.

Val Shawcross CBE (AM): I look forward to seeing more details of that, Mr Mayor.

Boris Johnson (Mayor of London and Chairman, TfL): I would like your support on it because I think it is a --

Val Shawcross CBE (AM): We would like you to bear down on fares, Mr Mayor. Can I leave it there, Chair, because I have run out of time?

Boris Johnson (Mayor of London and Chairman, TfL): I think it is a very good scheme. There are millions of tourists on our transport network for whom it is completely a price in elastic. There are many, many people who can well afford to pay a little bit more such as myself, but then there are huge numbers of people who have to pay twice a day and for whom a tax break of that order would be extremely useful. You would be directly targeting the people who are the backbone of the London and the United Kingdom economy.

Tom Copley (AM): Mr Mayor, there is strong evidence that large numbers of low income households are being forced from inner London to outer London through a combination of rent inflation and the Government's welfare reforms. Through your fares hikes are you not making it more difficult and more expensive for these people to commute back into central London to their jobs and massively increasing their cost of living?

Boris Johnson (Mayor of London and Chairman, TfL): As I have said repeatedly, I do think that that is unquestionably a problem. There are obviously lots of ways you have to address that. You have to build more housing in London. You have to make it possible for people to live near their place of work and that is why we are building hundreds of thousands of new homes. You also have to make sure that you have a reasonable fares package. This is an administration that has greatly expanded the concessionary schemes. We made the 24-hour Freedom Pass for older people, which is greatly valued by older workers.

Tom Copley (AM): Yes, but if you are in work, Mr Mayor, yes -- leave the Freedom Pass to one side, I think. My question was about people having to commute back into London to work. There is not anything for them, is there?

Boris Johnson (Mayor of London and Chairman, TfL): I was having a discussion with Val about what you could do to help them. I think that would be a very positive step forward. The second thing you can do is to bear down across the board on fares. That is obviously something that we are trying to do.

Tom Copley (AM): You never really told us what 'bearing down on fares' means. Fares are increasing by 1% above inflation. What does 'bearing down on fares' actually mean to someone?

Boris Johnson (Mayor of London and Chairman, TfL): It means not pursuing policies where you artificially freeze them and then whack them up by 16% the following year, which is what a previous administration did, which is a complete deceit.

Tom Copley (AM): Hang on, you have told me what it apparently does not involve. What does it involve?

Boris Johnson (Mayor of London and Chairman, TfL): It involves being as moderate as we can conceivably be with our fare increases. We have had a discussion just now about the capital demands of TfL. We have been talking about the need to put in step-free access, which people want to see across the network. We have to invest in our system and with a very tough fiscal position you have to strike a balance. Some of it, a large proportion of our budget, unquestionably must come from the fares box.

Tom Copley (AM): Has TfL ever produced any kind of assessment of the impact of fare rises on the growing number of low income households in outer London and the impact of additional transport costs, particularly when combined with other increased costs of living like rents and energy costs?

Boris Johnson (Mayor of London and Chairman, TfL): I do not believe we produced a breakdown of the kind you described. Unquestionably, transport costs are a massive part of people's lives and we have to get them down if we conceivably can. I fought two elections on this. This was the central issue for London. The question is how far can you get them down without either deceiving Londoners because you then whack them up again in a kind of Wonga-style [pay day loan company] approach or without curtailing your investment programme? What Londoners want to see is a steady stream of investment into the big stuff that makes a real difference to their lives.

Tom Copley (AM): It is all very well if they then cannot afford to actually travel on the network, or indeed if it then consumes such a large proportion of their income that they have far less money to spend elsewhere, what good does that do?

Boris Johnson (Mayor of London and Chairman, TfL): I understand that. All I can say is that all the evidence I have seen suggests that ridership remains very buoyant on all modes and people are moving around in huge volumes. Our scheme, our plan, is to help them by increasing the availability of mass transit. The way London is changing and the growth of the outer London economic hubs is very significant. We have to develop our plans now, because in the future it may not be enough just to put in new buses, as Peter has been describing. We may have to look at new fixed links, new rail systems and so on and perhaps even underground rail systems. We have to adapt to the changing circumstances, but we have to make sure that our capital budgets remain very considerable. In those circumstances it is utterly mad to pretend that you can get rid of government subsidy.

Tom Copley (AM): I think we are straying now into a slightly different area than the wider economy which I think Fiona is going to ask about, so I am going to leave my questioning there.

Boris Johnson (Mayor of London and Chairman, TfL): The question is about public subsidy for London transport.

Fiona Twycross (AM): In July the *London Business Survey*, published by the Confederation of British Industry (CBI), found that transport is ranked as third-biggest weakness to London's competitiveness. For small- and medium-sized enterprises that employ half of Londoners, transport was seen as the second-biggest weakness affecting London's competitiveness. With your fares hike, do you not think you are making the situation worse?

Boris Johnson (Mayor of London and Chairman, TfL): I may be mistaken in what has happened but my memory is that transport has come down in the CBI rankings and housing has moved to the top. I do not want to quarrel with you. Both these issues are critical for our city's future. They are interconnected. If you do not have enough homes near people's place of work, then you will have a serious economic inefficiency. If you do not build the transport links to get to them, you cannot get the homes going, so they are two sides of the same coin.

Fiona Twycross (AM): These are all things that you are responsible for and the cost of transport is well-known to undermine competitiveness. You mentioned housing, but I think the three main weaknesses defined by the CBI, which includes transport, are undermining our

competitiveness, leading to London firms that want to expand planning to do so in London in increasing numbers, with 45% wanting to expand overseas now compared to 27% last December. Do you not think you should make sure that you address these challenges a bit more seriously?

Boris Johnson (Mayor of London and Chairman, TfL): Yes, of course. This is absolutely the central part of our programme. Our investments are designed to ensure that we make the wheels of the London economy turn as efficiently as possible and to enable people on all incomes, particularly lower income groups, to be able to travel around the city, which is crucial to economic competitiveness.

Actually I do not know whether you saw the recent European Union Commission report into competitiveness across European regions, but they ranked London the most competitive city in Europe. I think that is ahead of everywhere else. I think we have considerable challenges. We have a massive population growth, which is in itself a vote of confidence. You look at what is happening in other European capitals. You are seeing the opposite. I think we are meeting those challenges with a huge amount of determination and a great deal of success.

Fiona Twycross (AM): You can do more on this personally. I think that the tax break you referred to earlier was described, I understand, yesterday as a 'classic Boris gimmick'. Do you not think it is another example of you coming out with policies --

Boris Johnson (Mayor of London and Chairman, TfL): I think that was a rather depressed former Labour Minister [Lord Adonis] who is hoping to be Mayor of London who said that.

Fiona Twycross (AM): I think there would be many people who would agree with him. Do you not think this is another example of you coming up with a policy for the Chancellor, not yourself, to introduce and passing the buck when you have it in your power to make the difference now by stopping your fare increases? I mean, it is just another example of you passing the buck.

Boris Johnson (Mayor of London and Chairman, TfL): No. As I say, I think there is a strong argument in favour of targeting the relief to those who are really the backbone of the working economy and who would benefit a great deal from the scheme. I think most people watching this debate would say, "Well why have a fair cut for tourists when they are going to use the system anyway?" Why? Give me an answer. Why would you have a fare cut for tourists?

Fiona Twycross (AM): It is a red herring.

Boris Johnson (Mayor of London and Chairman, TfL): It is not a red herring. It is very important point.

Fiona Twycross (AM): I think it affects low-paid workers more than it affects tourists. Even the cost of travel for tourists should be a consideration in terms of making sure we are competitive. We are one of the most expensive cities in the world. I think that the tax break

scheme would be paid for by putting up the fares of all other Londoners who cannot afford a season ticket or low-paid workers for whom a season ticket is impractical. Rather than come up with gimmicks, do you not think you should stop your reckless fare increase? It is threatening our competitiveness.

Boris Johnson (Mayor of London and Chairman, TfL): I hear what you say. It is an interesting point. I certainly think we should continue to bear down on fares in London, yes, definitely, and this a critical importance. There is something you can do. We continue to maintain the 24-hour Freedom Pass for older people which we did not need to have, the concessions for younger people, for those in search of work, for veterans, all those things we have on our transport network. We should continue to try to reduce costs as we have done dramatically in order to keep fares as low as possible. I think it is worth the Government looking at what I think would be a very progressive measure, which would actually help the large number of people who are really, really stretched and who need to commute twice a day and who are the backbone of the London economy.

Fiona Twycross (AM): I think there is a more simple way, which is if you stop the fare rises. I am going to leave it there, thank you.

Boris Johnson (Mayor of London and Chairman, TfL): If you want to cut fares for tourists and millionaires, then good for you. I just do not happen to think that is a sensible policy.

Fiona Twycross (AM): Thank you. I am done with that. I think the more sensible way, which I am sure you would agree, would be for you to stop your fare rises, thank you.

Darren Johnson (Chair): Is there anything else you wish to say on that last remark?

Boris Johnson (Mayor of London and Chairman, TfL): I think we will make decisions about next year's package of fares in due course.

Fiona Twycross (AM): He is repeating himself now.

Boris Johnson (Mayor of London and Chairman, TfL): I think Fiona can certainly take it there has been absolutely no change in our determination to bear down on fares in London.

Fiona Twycross (AM): It is somebody else, is it not? I see.

Boris Johnson (Mayor of London and Chairman, TfL): I am disappointed by the slight lack of imagination being shown by Labour in their refusal to take up this idea.

Fiona Twycross (AM): He is waffling now.

Darren Johnson (Chair): That exchange is coming to an end, but if Members do make a comment or a final question, I will give the opportunity for the Mayor to respond to that because that is what we are here for.

Can I welcome at this stage pupils from St Andrew's Catholic Primary School in Lambeth?
Welcome to City Hall and seeing the Assembly in action.

21/2013 - TfL finances

[Richard Tracey](#)

In seeking to bear down on fares and help finance new infrastructure projects, please assess the relative importance of bearing down on TfL costs and uncovering fresh revenue streams.

Boris Johnson (Mayor of London and Chairman, TfL): Yes, thanks, Dick. Of course we are making huge cuts to TfL. There is a massive savings programme in TfL's budget that you are familiar with, but I think what you are more interested in really is what are we doing to expand our revenue rating capacities and what are we doing to bring in sponsorship, advertising and how can we maximise the brand value of London transport. There is an awful lot going on there. There is a great deal of work being done now on the Tube stations to see what more we can do to get revenue there. We will leave no stone unturned.

It is important not to be unrealistic about what you can achieve, particularly if you are talking about rebranding. I think Marble Arch used to be called Selfridges. There was a time when the Tube station was called Selfridges. You could see that Selfridges would pay to do that again. Just to give you an example, I think in order to get them to cover our costs in rebranding that station we would have to get Selfridges to pay about £4 million or so in advertising, just to break even on the deal. That £4 million, by the way is quite a lot out of Selfridges' marketing budget, so you would have to wonder whether they would go for that. I am speaking entirely hypothetically when I talk about Selfridges, by the way, so people understand that. You would also lose any advertising that they might want to spend on other parts of the network, so that it is very likely that you would cannibalise their investment in posters or what-have-you. You might say, "Don't go for Selfridges. Go for corporate Goliaths; go for Samsung. Let's call Tottenham Court Road 'Samsung Court Road'". I can see members of the audience looking rather gloomy at this prospect.

Richard Tracey (AM): Can I stop your commentary on sponsorship, Mr Mayor?

Boris Johnson (Mayor of London and Chairman, TfL): Even then, even if we got it called Samsung Court Road, at the right price I am open to it. However, I think the price would have to be pretty high.

Richard Tracey (AM): Yes, sure.

Boris Johnson (Mayor of London and Chairman, TfL): I am not certain that you would easily raise it. I am not actually certain that Samsung would necessarily think it was a good thing and I am not sure they would necessarily want to go down that route.

Richard Tracey (AM): Can I stop you before you take up all of our time? Very interesting commentary on sponsorship, but actually we have a string of questions from this side, which do not really seem to be specific to sponsorship. Val Shawcross [AM] has already mentioned in her

question the discussions we have had in the Budget and Performance Committee with officers of TfL. Really, the crux of the question we want to put to you and to the Commissioner is: is TfL making the most of its assets across the board? We are not simply talking about sponsorship. We are talking about the buildings and the use of them, because we have had a lot of discussion, as Val Shawcross knows and John Biggs [Chairman] knows in the Budget and Performance Committee about this thing, so can I ask Peter Hendy that one? Are you making the most of your assets, frankly?

Sir Peter Hendy CBE (Commissioner, TfL): Certainly. There are various classes of these assets. There is not much development land left with easy potential. A lot of it has been rightly disposed of. A lot of the housing stock that we had around the North Circular Road has gone. We now have, because we have to as part of the cost savings and income generation, a much better team of people seeking development opportunities for some of the remaining sites above stations, places like Southwark, where you can imagine that there should be quite a big building, and some other sites including sites in West London, railway depots that we might be able to shift.

Richard Tracey (AM): Indeed with Morden in my constituency.

Sir Peter Hendy CBE (Commissioner, TfL): Quite so. We have got a good set of people looking at that and we are in discussion with various developers about it. We have an office estate where we are seeking to get out of buildings that are either dysfunctional or cost a lot to manage or we are incapable of moving and we have reduced the number of buildings that we have got. We will come and talk to you before long about what we do in retail space in stations, where historically some of the retail offer has been rather poor quality. It is quite clear that there is a market from the sort of retailers that people would either like to see in their stations on the way to work, or would like to see on their way home, and we believe that we can do a lot better. We have to package that up, because actually the bigger retailers are not really interested in one-off sites. A lot of the sites in busy Tube stations have historically had, for example, no water, no storage space, that sort of stuff. We are looking at all of that because actually there is the potential to generate increasing income in that.

The advertising estate is more difficult because, as the Mayor said, and he is absolutely right, one of our advantages, but a burden, is that we have the commercial advertising deal with CBS [advertising firm] which was done right at the top of the market and they would not have done any such deal like that now. In fact, they have not been able to develop some of the advertising on outer stations as much as they would have wanted to because the market simply is not there. I am very cautious about replacing advertising which is in our budget and constantly comes to us in one stream with once-off opportunities in another, because that is not an increase in income.

Richard Tracey (AM): Are you saying that that contract, for one, perhaps is not representing good value for money?

Sir Peter Hendy CBE (Commissioner, TfL): It is a fantastic contract for us. It does not represent good value for money for them. If we retendered it today we would get significantly

less income as a consequence. Some of you may recall that we had some very fraught discussions with CBS who sought to exit from the contract because they did not feel it was in their commercial interest, and I refused and it remains in place.

Boris Johnson (Mayor of London and Chairman, TfL): Yes.

Sir Peter Hendy CBE (Commissioner, TfL): You are right that our estate should be ruthlessly exploited. When we do that we do face some difficulty. People are very fond of their barber at Hammersmith, or their local newsstand. The truth is that some of those retail spaces can be offered to people like retailers, Marks & Spencer, Waitrose, Sainsbury's, Tesco, those sorts of people, at increasing rates. We are seeking to package that together. I think this side of Christmas you will see a lot more movement in that. Alongside that you will see some movement from discussions with developers about what we can do with some of the bigger places.

Richard Tracey (AM): You presumably have a target for generating business and commercial development. Can you tell us the monetary target you have in TfL?

Sir Peter Hendy CBE (Commissioner, TfL): Our current target is £1.7 billion over the life of the plan and we are just about to propose to the TfL Board in the business plan, which we will see the Board vote on that at the end of November to raise it to £3 billion. I am cautious about the speed in which you do that, lest we have lines in the budget that have no substance; you know, you will all know that actually extracting real value from development actually takes quite some time in discussion with developers. We think that £3 billion is achievable over the life of the plan. I think it is right to expect us to do as much as we can there, because that is a line of increasing income that actually will offset some of the costs of both the capital and --

Boris Johnson (Mayor of London and Chairman, TfL): Dick, I do hope that you feel that TfL is very open to these kinds of opportunities. Look at what we did with the Emirates Airline where we did get £36 million in sponsorship.

Richard Tracey (AM): Sure.

Boris Johnson (Mayor of London and Chairman, TfL): There were snorts of indignation from people who said, "Well, you shouldn't sully your hands with corporate" -- Nonsense, it is a fantastic scheme.

Richard Tracey (AM): Yes.

Boris Johnson (Mayor of London and Chairman, TfL): Or indeed the Barclays Cycle Hire, for instance.

Richard Tracey (AM): No, we do appreciate that.

Boris Johnson (Mayor of London and Chairman, TfL): We are very much in the market but you just have to be careful.

Richard Tracey (AM): No, we are supportive but, for example, Peter Hendy was talking about a plan. What is the term of the plan? How long is it that you are --

Sir Peter Hendy CBE (Commissioner, TfL): It is the term of the business plan, which we looked in those terms over ten years. That is fairly substantial. What you are actually seeking to achieve is the fastest running rate you can over the next three to five years. It has meant that we have had to hire some decent people. You cannot deal with developers with people who just used to collect rent from sweet stores.

Richard Tracey (AM): Sure.

Sir Peter Hendy CBE (Commissioner, TfL): We have now got those people in place. I am confident that we will be able to achieve that. We are in any event pressed to release any land that conceivably we can for the Mayor's other purposes, the housing initiative development. There is not much of that ordinary stuff left, actually, and the remaining stuff is largely a bit more difficult to do because developments over stations and depots have operational restrictions, but we are trying very hard because that is a way of offsetting costs without going to the fare box.

Richard Tracey (AM): We would appreciate it, by the way, if your officers when they come to the Budget and Performance Committee could be totally transparent with us on this. We are beginning to meet these new people that you are recruiting, but I think as colleagues on the Budget and Performance Committee would agree with me, we do need the transparency.

Sir Peter Hendy CBE (Commissioner, TfL): My only observation, and it may be directed at the other side of the room, is that next time I go to the Budget and Performance Committee it will be quite pleasurable to be allowed enough time to speak to explain anything.

Richard Tracey (AM): I see, right.

Sir Peter Hendy CBE (Commissioner, TfL): We did actually offer to explain to the Assembly the revised way in which we produced the quarter two operational and financial results, but I regret it was not taken up.

Richard Tracey (AM): I see. I am sure the Chairman [John Biggs AM] has noted that and he will speak for himself.

One or two other things: one thing we have raised with you and the Mayor is the question of the pension scheme, which seems to us, in comparison to other local government pension schemes and civil service schemes, to be really overgenerous. In bearing down on fare costs we have calculated that you could, for example, have saved £144 million in 2011 alone if the pension contributions had been in line with the Local Government Pension Schemes. What about that? Is that not a means of making yourselves more efficient?

Sir Peter Hendy CBE (Commissioner, TfL): It is certainly a means of reducing costs. We are in a curious position, which is that we are public sector body, we are classified as a local government institution in law and yet our pension scheme is regarded as a private sector scheme by the Government. The last trust deed was established in 1989 when we were a nationalised industry, and to reduce the benefits to any beneficiary, whether serving or retired, needs a 75% vote of everybody in the scheme, which is a matter of fact. I am not making an observation about whether is right or not, as a matter of fact it would be a large number of people voting for a diminution in their interests.

My predecessors took a prolonged pension holiday, as a result of which and as a result of the movement in the market we have got a deficit in the scheme. Because we are regarded as a private sector scheme, curiously we pay into the Pension Protection Fund (PPF) for Government, even though this organisation the one thing it will not do is go bust, whatever happens to it. That costs us some money. We are also required by the PPF to pay back the deficit on a shorter period of time than any equivalent local authority. Those things are very constraining and contribute very largely to the current very high contribution rate that we have. Steve Allen [Managing Director - Finance, TfL] and I have had prolonged correspondence with the Government over the last five years to suggest to them that it is neither equitable nor sensible to regard the pension scheme of a local authority as a private sector scheme.

The Mayor mentioned it to the Secretary of State quite recently, as a result of the recent spending round. We have, for the first time, had a meeting with the Treasury officials and the Department official about doing something about that, because we are in a really curious position that the trust deed makes it almost impossible to diminish the benefits. Whether or not we would like to, such a course of action is frankly not available.

The cost of the scheme: if we could repay the deficit at the average repayment rate of a local authority, the employers' cost would reduce from 31% to about 16%, which is the level at which local authorities are funding it, overnight. That seems to me to be a very powerful argument to have us regarded in some way by Government as not a private sector scheme for a local authority. We are in an absolutely unique position. It is a very considerable burden. Funding the deficit back over a shorter period is a very considerable burden indeed and we are seeking to do all we can to deal with it.

Richard Tracey (AM): Right. The last one from me before my colleagues take up the questioning, we have also talked to you, Mr Mayor, and indeed on many occasions to TfL about driverless trains.

Boris Johnson (Mayor of London and Chairman, TfL): Yes.

Richard Tracey (AM): Of course recently we saw a lot of publicity from I think Siemens, evidently designing a train which would be driverless. We have calculated that you could save £141 million a year in salaries for drivers, so what about that? How is progress going on that matter?

Boris Johnson (Mayor of London and Chairman, TfL): Just to give a general high-level answer, of course we are moving towards a new era of automated trains, as I said in the run-up to the last election. We will not buy a new conventional train with a driver's cab in the same way ever again. That does not mean the trains will not be staffed. It is very important for Londoners to understand that. These trains will be staffed. People will have somebody on the train, just as you do on the Docklands Light Railway (DLR).

Richard Tracey (AM): Sure, that is accepted.

Boris Johnson (Mayor of London and Chairman, TfL): That is the way forward. I do not know whether your savings calculation takes that into account. Does it?

Richard Tracey (AM): It is certainly dealing with the cost of the drivers. Clearly attendants would not cost the same as a driver.

Boris Johnson (Mayor of London and Chairman, TfL): No, that may be the case. Certainly we would expect to make some saving there, but the greater gain would be, I think, in the efficiency of the service and our ability to run a service that got Londoners around more smoothly. When it comes to the Piccadilly line contracts, and so on, we will certainly be buying what are effectively driverless trains.

Richard Tracey (AM): Thank you.

Darren Johnson (Chair): Thank you. Assembly Member Bacon.

Gareth Bacon (AM): Sir Peter, I am going to ask you a variation of the question I asked the Mayor at the last Mayor's Question Time, which is along the lines of bearing down on TfL costs. There strong rumours circulating around London that TfL are planning on cutting Local Implementation Plan (LIP) funding to the boroughs by 25%. Is it true that you are planning to do that?

Boris Johnson (Mayor of London and Chairman, TfL): No.

Sir Peter Hendy CBE (Commissioner, TfL): No.

Gareth Bacon (AM): Excellent.

Sir Peter Hendy CBE (Commissioner, TfL): The figures that we are looking at for the budget and business plan have within them the largest level of payments to local authorities across London for the road network in total that we have ever seen. LIP funding is one part of that. The other parts of it are very considerable sums as a result of the Mayor's commitments to various things. I think we will be in a position to say, when we have finished discussing it with the Mayor and when we publish the business plan, local authorities will see, over the next two or three years a sum of money larger than any in total that they have received from us since TfL began.

Gareth Bacon (AM): That is good to hear. The thing about LIP though is that it is not just about road maintenance. There are lots of other categories within LIP that boroughs can use that money for. Since this Mayor has been in office, how that money is spent by the boroughs has been liberalised, if I can put it that way. It is something that I think boroughs of all political persuasions greatly appreciate. Notwithstanding what you have just said about increasing in funding to road maintenance budgets, a reduction in LIP funding would cause considerable pain to the boroughs.

Boris Johnson (Mayor of London and Chairman, TfL): I understand the flexibility that boroughs want and we will make sure that they continue to get it.

Sir Peter Hendy CBE (Commissioner, TfL): I did not refer to road maintenance. I referred to roads specifically. Quite a lot of the additional money over recent years that the Mayor has made available is primarily for things like cycling. Also we deliver schemes that are better in terms of roads, better in terms of urban environment, do things that boroughs want from town centres. I agree with you, but actually the old method of funding, which was large number of small pots was extraordinarily restrictive. Actually people were wasting that money because it was put into the wrong categories. Part of whatever we do will be a commitment from the Mayor and from me, but we will have discussions with each borough to make sure that in each of the boroughs the things that they want to do, so far as we are able to do it, will be the things that we achieve. In addition, we are now going to do things on our roads, which many of the boroughs have wanted to do for years but we have not had the money to do, which be rolled into the mix.

There is one other issue concerned with that, which is actually the availability of the resources to achieve it. Actually that is a further matter of concern, because a number of boroughs have expressed some difficulty with actually supporting the numbers and the salaries of staff to carry out the work, and we are also looking at that to make sure that what we allocate can actually be spent.

Gareth Bacon (AM): OK, this is all very positive, which I appreciate greatly. Would I be able to take back to my borough then, a promise from the Mayor and the Commissioner that LIP funding will not be cut next year to meet the budget deficit in TfL that has been proposed by the Government?

Sir Peter Hendy CBE (Commissioner, TfL): It is a bit early to say what we are going to wind up to do. What I envisage is that the amount of money given to all of the boroughs in total, and each borough, for next and indeed the two years after that, will be more in total terms than it has been previously. How it is distributed between these layers is one thing. How liberally it can be spent, bearing in mind that you can address a multiplicity of issues at the same time, is another. What I would like to wind up, and I hope the Mayor would agree with me, is more money than there is before available to be spent, as much as is possible, on what the borough wants to do.

Boris Johnson (Mayor of London and Chairman, TfL): I am pretty confident we can get a package which the borough would be happy with.

Gareth Bacon (AM): OK.

Boris Johnson (Mayor of London and Chairman, TfL): I understand the political importance of the flexibility that comes with the LIP funding, the importance to boroughs of being able to prioritise things that their electorate want and their sense that they are not just being told what to do the whole time by TfL. That I completely understand, it is part of local democracy and I will make sure it happens.

Gareth Bacon (AM): In that case, can I thank you both for your answers today and I we will keep an eye on it. Thank you.

John Biggs (AM): Thank you, Chair. I think there is a remarkable degree of consensus around this question, other than perhaps some of the solutions in some Members' minds. I think it would be reckless to take drivers off Underground trains for over a thousand passengers. I think there is a consensus that we want to bear --

Boris Johnson (Mayor of London and Chairman, TfL): They do on the DLR.

John Biggs (AM): I am asking the question and I am asking it of you, Mayor, as well. We want to bear down on fares, we want to bear down on costs, we want to identify fresh revenue streams where we can and the Budget and Performance Committee has actually done a lot very useful work on this as well. Our witnesses have tended to give tolerably reasonable length answers as well to the questions.

The tricky bit though is about funding infrastructure projects and this is where I think your performance is a lot more lacking. There are two questions I wanted to put to you. The first is, and it is to you, Mayor, that you have failed to get a good settlement from the Government for capital spending. You boasted this year that you got a fantastic spending settlement, but the reality is that it is less generous than any other region in the respondent of the country.

Boris Johnson (Mayor of London and Chairman, TfL): That is complete nonsense.

John Biggs (AM): That sits on the back of another part of your failure, which is a lack of ambition to build infrastructure in London. You boasted earlier about the Overground, which was a scheme which you have parasitically taken over from Ken Livingstone [former Mayor of London], who originated it. It was a fantastic scheme. You are now promoting river crossings, which you cancelled for five years, in east London. You are gradually cancelling them safe in the knowledge that nothing will happen while you are still here in London. We will be rid of you before anything is actually built there. You have cancelled the DLR extension in east London.

John Biggs (AM): There is a very good proposal, which is to extend the Gospel Oak to Barking Line down to the riverside, and that will facilitate housing development and it would allow Andrew Boff [AM] to get to work quicker in the mornings as well because he is a new constituent of mine. Basically, you have failed to put out your stall and to set out a vision for what you are going to do in terms of investment for London. That is the thesis. Can you

answer that in the context of the questions, which is that you have a miserable settlement from Government? The record will show that.

Boris Johnson (Mayor of London and Chairman, TfL): In a hotly contested field that is the most ridiculous question that you have ever asked, John. What I will say, I think anybody who looks at what TfL secured in 2010, when the country underwent a colossal economic shock as a result of the mishandling of the economy by your party, would agree that it was a triumph for London. Actually, we were able to go ahead with Crossrail, with all the Tube upgrades, with a sensational expansion of our networks.

John Biggs (AM): This year you have boasted superb settlement and you have not got one.

Boris Johnson (Mayor of London and Chairman, TfL): We have been able to expand the DLR by 50%. This is the first time an administration has been given the responsibility for one of the railway franchises, in the form of the West Anglia. That was never achieved under the previous Mayor.

John Biggs (AM): Yes, it was.

Boris Johnson (Mayor of London and Chairman, TfL): We are going ahead with tax increment financing (TIF) based financing on the Underground for an extension of the Northern line. I do not believe in all his time in office Ken Livingstone extended the Tube, as far as I can remember. There you go. We have had eight years of apathy, eight years of 'Biggsary', sitting around muttering, and we have actually got with extending the Tube with a system. Crossrail was almost dead when I came into office. We had to rescue it.

John Biggs (AM): Oh, come on. You are ridiculous.

Boris Johnson (Mayor of London and Chairman, TfL): It was on the chopping block. We rescued it. It was absolutely true. We had to rescue it.

We are using tax increment financing to deliver the extension of the Northern line, which is a towering achievement. It is a very innovative way of doing it. We are going to have two new stations and liberating a new part of London with tens of thousands of homes and jobs. We are going to protract the Overground to Barking and Riverside and deliver the same effect. If you look at the ambition of the 2020 Vision you will see that there is much more that we are doing besides. As I said in my earlier answer, this is, I think, the most ambitious transport programme this city has seen since the Victorian times. It is the only answer to the colossal pressures we face from the population growth. We are going to get on with it. I think if we look at the settlements we have won from the Government they are very considerable and they are unlike anywhere else in the country, but that reflects the central role that London plays in the United Kingdom economy.

John Biggs (AM): That is a miserable excuse for an answer, Chair, and I would summarise the performance of our two witnesses today as being the paragon of hubris, Chair, but I have no further questions.

Boris Johnson (Mayor of London and Chairman, TfL): Hubris?

Steve O'Connell (AM): Mr Mayor, first of all, I am very reassured by both of your comments around the protection of the LIP funding. It is great to hear that the gross amount will be increased and boroughs will keep their flexibility. It is important we get that message out there, not least for certain cloth-eared council leaders of a liberal view who are putting around some untruths out there, so thank you for that clarification. Also I thank you very much for wearing the tie of south London's number one team who need all the support they can get at the moment.

Whilst you are on the subject of Crystal Palace and sponsorship, sponsorship is something that I am on the record supporting for new schemes and Dick Tracey has already talked about sponsorship. Would you not consider possibly somewhere down the line? There are some very real fears around colleagues around bringing a new development up at Crystal Palace. As someone whose family watched the original Crystal Palace burn down, I have an affinity with that particular area.

Appropriately, residents up there have some real concerns around transport and that is something that may be an issue if you do, indeed, bring a fantastic exhibition centre through foreign investment up there. Transport is an issue up there, so I would suggest and in fact welcome your comments, Mr Mayor, whether you may properly consider somewhere down the line potential sponsorship of the tram potentially. Taking the tram up to Crystal Palace, with some sponsorship from investment, will alleviate the issues about transport that many people quite properly feel.

Boris Johnson (Mayor of London and Chairman, TfL): Absolutely. Yes. We are certainly looking at that sponsorship issue. As you know, we are working with the boroughs concerned on the package of financing that we can put together for tram extensions. The Overground delivers lots of the benefit. Do not forget the scheme is not dependent on new transport links. There is a fantastic upgraded Overground station there. It looks unbelievable, absolutely fantastic new station that we have done there. That will enable that to go ahead. In addition, I think we are going to reopen that Victorian pedestrian tunnel that runs up from the station to the palace. The transport links are not bad but we will clearly be looking at sponsorship opportunities when it comes to extending the tram.

Steve O'Connell (AM): We do need to win hearts and minds up there of residents and businesses to support any significant infrastructure investment, and potentially adding to the very good transport systems that you have already got, by dint of perhaps introducing a tram, may go some way to achieving that, Mayor.

Boris Johnson (Mayor of London and Chairman, TfL): Absolutely.

Andrew Dismore (AM): Could you tell us, Boris, when you last travelled on the Northern line?

Boris Johnson (Mayor of London and Chairman, TfL): When did I last go on the Northern line?

Andrew Dismore (AM): Yes.

Boris Johnson (Mayor of London and Chairman, TfL): Very recently. I use it quite a lot.

Andrew Dismore (AM): You cannot remember, is the short answer.

Boris Johnson (Mayor of London and Chairman, TfL): When did I last go on the Northern line? The last couple of weeks, if I remember rightly.

Andrew Dismore (AM): Yes, because if you had travelled on the Northern line regularly you --

Boris Johnson (Mayor of London and Chairman, TfL): I tell you, I used it the other day.

Andrew Dismore (AM): You might have listened to some of the complaints of the passengers, some of the things that I have been getting like, "Too many gaps in the service, crowds building up, train is on the station for several minutes, the whole service was suspended between Edgware and Camden due to signal failure, no help from staff on how to get from A to B, no data announcements when it will return to normal service".

Boris Johnson (Mayor of London and Chairman, TfL): I do not know whether it has escaped your notice, Andrew --

Andrew Dismore (AM): If there is a signal problem then, God help us, you get thrown off the train to fend your way. "Recently in East Finchley and Finchley Central we were stuck in the train for about an hour in extremely hot conditions as a result of signal failure. The notice about which bits are closed is so confusing even a member of the staff didn't understand them the other week." These are continual problems that people are raising with me.

Boris Johnson (Mayor of London and Chairman, TfL): Sorry, what was the last point?

Andrew Dismore (AM): If you were travelling on the Northern line regularly and talked to the passengers, you would be getting those complaints too.

Boris Johnson (Mayor of London and Chairman, TfL): Actually, Dismore, I have been on the Northern line.

Andrew Dismore (AM): The modernisation was due to be complete in June 2012. It is now two years late. There are not going to be any additional trains until 2015, which is not good enough, is it?

Boris Johnson (Mayor of London and Chairman, TfL): Actually, I have been on the Northern line very recently. It comes back to me.

Andrew Dismore (AM): You cannot remember when.

Boris Johnson (Mayor of London and Chairman, TfL): I have to say people have not complained to me. It would be fair to say I used to get a lot of complaints on the Jubilee line, but when Ken Livingstone was --

Andrew Dismore (AM): We are talking about the Northern line.

Boris Johnson (Mayor of London and Chairman, TfL): Indeed, I got lots of complaints about the Northern line when Ken Livingstone was in office. It was terrible. It was called the 'misery line', I remember, in the bad old days when Labour was in power. What a nightmare it was.

Andrew Dismore (AM): You are in charge of the Northern line and have been in charge for nearly six years. When are you going to do something about it? You have been in charge for six years.

Boris Johnson (Mayor of London and Chairman, TfL): I remember what a nightmare it was, but thankfully I did not actually hear all the --

Andrew Dismore (AM): The modernisation is two years behind; another year beyond that, three years before more trains.

Boris Johnson (Mayor of London and Chairman, TfL): All the complaints that you make we will take up. I did not quite catch the last point that you made, something like clothing announcements, which I did not quite get.

Andrew Dismore (AM): I said closure announcements, but that is not the point.

Boris Johnson (Mayor of London and Chairman, TfL): Oh, closure announcements. I thought people were making announcements about their clothes.

Andrew Dismore (AM): That is not the point. The point is it is not acceptable level of service, is it? This is not an acceptable level of service, is it? This is not an acceptable level of service and people know that. Why do you not recognise that?

Boris Johnson (Mayor of London and Chairman, TfL): As you know, we are in the process of upgrading the Northern line and, yes, there may be some valid complaints. If you forward them my office will be very happy to take them up. I apologise to all passengers who experience any difficulties on their journeys on any part of our network. The fact is what you are underlining, Andrew, is the fatuity of your party's policies because --

Andrew Dismore (AM): You are in charge and have been for six years.

Darren Johnson (Chair): Let the Mayor answer.

Boris Johnson (Mayor of London and Chairman, TfL): What your party used to campaign for was radical reductions in income, which would make it impossible for us to go ahead with the signalling upgrades of the Northern line which will improve the experience of our passengers.

Andrew Dismore (AM): Rubbish.

Boris Johnson (Mayor of London and Chairman, TfL): Absolutely. That is what I want to deliver and that is what we are going to deliver. Yes, of course not everything is yet perfect, but if you look at what has been achieved on the Tube in the last four or five years, we have delays down by 40% on Ken Livingstone's --

Andrew Dismore (AM): Tell that to the people on the Northern line. You have been in charge for six years.

Boris Johnson (Mayor of London and Chairman, TfL): We have delays down by 40% and you see what we achieve when we upgrade that Northern line and you will be forced to eat your hat, if you have a hat, because we will do on the Northern line exactly what we have done on the Jubilee line and other lines around the city if, and only if, you withdraw your destructive and fatuous policies of making radical cuts in our income and our ability to invest in capital programmes.

Andrew Dismore (AM): What are you going to do about Camden Town Tube Station? Are you still intending to split the Northern line?

Darren Johnson (Chair): All right, very quick answer to that. The Labour Group is running out of time.

Andrew Dismore (AM): Are you going to actually do something about the overcrowding there?

Sir Peter Hendy CBE (Commissioner, TfL): The previous scheme for development of Camden had to be abandoned because of the failure --

Andrew Dismore (AM): I am asking Boris.

Sir Peter Hendy CBE (Commissioner, TfL): -- to agree by the council and with developing a new one.

Andrew Dismore (AM): You do not know, do you?

Darren Johnson (Chair): Thank you.

Boris Johnson (Mayor of London and Chairman, TfL): I think you heard the answer, Dismore. We are developing a new plan.

Andrew Dismore (AM): You do not know, do you?

Darren Johnson (Chair): Assembly Member Dismore, let us be courteous but let us remain calm. Assembly Member Arbour.

Boris Johnson (Mayor of London and Chairman, TfL): I can call him Dismore. That is his name, is it not? Call me Johnson.

Tony Arbour (AM): Mr Mayor, more miserable than travelling on the Northern line with Assembly Member Dismore as he harasses passengers, telling them first of all who he is - of course that is something that you would not have to do - and pleading with them, "Please complain about the Northern line" must be an absolute --

Boris Johnson (Mayor of London and Chairman, TfL): Come on, Assembly Member Dismore is almost certainly right. I am sure he is right in saying that there are problems on the Northern line that are causing some passengers to have a bad experience. We are greatly reducing those bad experiences.

Tony Arbour (AM): I was not seeking to encourage you to praise the fellow.

Boris Johnson (Mayor of London and Chairman, TfL): I am not praising the fellow.

Tony Arbour (AM): I was seeking to get a laugh at his expense. Obviously I failed.

Boris Johnson (Mayor of London and Chairman, TfL): Tony Arbour is completely right.

Tony Arbour (AM): It is a better way of approaching it. To be serious --

Boris Johnson (Mayor of London and Chairman, TfL): Andrew Dismore is completely wrong.

Andrew Dismore (AM): Yes, all right.

Tony Arbour (AM): To endeavour to be serious, you will know that this Group has actually proposed proper right-wing, Conservative measures for bringing down the cost of TfL, and I want to run a couple of them past you again to see that we have support from you. I was greatly encouraged, as you must have been, that the Prime Minister [David Cameron] seems to think that the proposal from this group to have mandatory pendulum arbitration, so far as unions who work on our transport systems should be able to demonstrate to Londoners that they actually have the support of the majority of those people who work for TfL causing industrial disputes. Perhaps you would like to tell us how much you support the Prime Minister on that?

Boris Johnson (Mayor of London and Chairman, TfL): I totally agree and I think it is a great tribute to the lobbying that has been done by TfL over quite a long period to get the

Government to see that some sort of intervention. James Cleverly [AM] and Tony Arbour in the GLA Conservatives have played a heroic role in this and continue lobbying their friends and colleagues in Government about this issue, as indeed have I. I think was great deal of nervousness to begin with and perhaps our friends in the Liberal Democrats were not entirely onside and it has taken some time. I agree with you, I thought what the Prime Minister had to say on the *Sunday Politics* programme was very encouraging.

Tony Arbour (AM): The other Conservative measure, which I want to put to you, is one which causes considerable grievance, I think, to ordinary passengers who are inconvenienced by industrial action on the transport system in London, relates to the nominee concessionary travel which is given to the friends, lodgers and relatives of the employees of TfL. You will know that we believe that the withdrawal of that concession would save in excess of £17 million. I wonder if you can tell us where you are on looking at the provision of this nominee concession.

Boris Johnson (Mayor of London and Chairman, TfL): My information is that it actually would not yield savings of anything like that order simply because there is no marginal cost to TfL of providing the perk. It is a perk, but it is something that is in the contract, something that is negotiated. It is one of the terms and conditions on which people join the service and they do a fantastic job. I think to take it away in an arbitrary fashion would unquestionably be perceived as something that people had not bargained for and I think you could expect a very adverse reaction to no real economic benefit to us.

Tony Arbour (AM): I appreciate that you have to be emollient on this matter, Mr Mayor, but I do not, nor do my colleagues sitting on this side. The point you make about the marginal cost to an economist I suppose would be quite fatuous because anybody who goes to get on a bus and there are loads of empty seats on it say, "Well, the bus is going down the road anyway. Let's all get on it and let's travel free because there is no additional margin costs", so I am not very impressed by that argument.

Boris Johnson (Mayor of London and Chairman, TfL): That used to happen in the bad old days, but now fare evasion is down an all-time low of 1.1%, thanks very largely to our removal of the bendy buses.

Tony Arbour (AM): The folly that you are making in relation to that, there may well be no additional marginal cost but there of course is income foregone. Unless you are suggesting that the friends and relatives of the staff would not be travelling on TfL routes unless they had these passes. You have told us and Peter Hendy has already told us of the extraordinary anomaly which relates to the pension scheme relating to TfL. All of these kinds of things look like additional gold-plating for TfL staff. There is no reason, Mr Mayor, simply to say it relates to existing contracts and I understand that they ought to be honoured, but there is no reason to say that the new contract should do without these additional privileges. Maybe you would agree to look at the contracts.

Boris Johnson (Mayor of London and Chairman, TfL): Then you would create two classes of employees.

Tony Arbour (AM): That happens in life, Mr Mayor.

Boris Johnson (Mayor of London and Chairman, TfL): I am not convinced that the cash benefits to us are worth the very adverse impact it would have on our employees and the good will of our workforce who are doing a fantastic job for London. That is where I am on that.

On the point about the pensions, I think actually Peter gave a pretty good account of the difficulty that we are in because the Government does not yet treat our pension scheme in the right way for us to reduce our contributions as we would like. That is the bind we are in now. We are in constant discussions with the Treasury now. We last opened that conversation to try to get to a more reasonable position.

Tony Arbour (AM): I am merely seeking to be the conscience of the Right, Mr Mayor.

Darren Johnson (Chair): Any response to that?

Boris Johnson (Mayor of London and Chairman, TfL): Absolutely right, and we need that. We need that.

Darren Johnson (Chair): Assembly Member Boff.

Andrew Boff (AM): I just wondered, Mr Mayor, how you feel about somebody who has paid for their Oyster, their pass, and their seat is taken up by someone who has not paid for their trip --

Boris Johnson (Mayor of London and Chairman, TfL): You mean like an older person?

Andrew Boff (AM): No, by somebody who just happens to know the right people and that seat has been taken up by someone who just happens to know a member of staff of TfL. That seat has been taken up, even though they have paid.

Boris Johnson (Mayor of London and Chairman, TfL): Yes.

Andrew Boff (AM): What would you say to that person whose seat has been taken up who has paid full whack to use our system but that seat has been taken up by somebody who just happens to know a member of staff?

Boris Johnson (Mayor of London and Chairman, TfL): The scheme for partners and spouses is something that has been part of the terms and conditions of TfL employees for quite a long time. I do understand the points that you make. However, if you were to strip it from existing employees you would cause, I think, a very adverse reaction. You would have to compensate them in some way or other because otherwise you would face quite severe industrial action.

Andrew Boff (AM): Sure. Can we take that use of words, Mr Mayor, to infer that for future contracts you will remove nominee passes?

Boris Johnson (Mayor of London and Chairman, TfL): No, because what I was saying to Tony [Arbour] is the difficulty there is that you create two categories of employee. If you have evidence of this system being grotesquely abused, Andrew, then please bring it to me and please give us chapter and verse of cases in which this system of helping TfL employees is actually leading to the kind of abuse that you describe.

Andrew Boff (AM): What about somebody who has a member of staff of TfL as a lodger and they get the nominee pass for being the landlord?

Boris Johnson (Mayor of London and Chairman, TfL): Show me the details.

Andrew Boff (AM): I will. In fact, you know who it is, so that is fine, thank you very much.

Darren Johnson (Chair): Thank you. No other Members have signalled from the GLA Conservatives, the other groups are out of time anyway, so that concludes the questions today. Can I thank the Mayor and Sir Peter for their attendance today? Thank you.

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