



Executive
13th September 2006

**Report from the Director of
Policy and Regeneration**

For Action

Wards Affected:
ALL

**Mayor of London's extended powers and implications
for Brent**

Forward Plan Ref: PRU-06/07-005

1.0 SUMMARY

- 1.1 This report informs the Executive of the proposals announced by the Department of Communities and Local Government on July 13th 2006 to increase the powers of the Greater London Authority and the Mayor of London. It goes on to outline how it will affect the Borough.

2.0 RECOMMENDATIONS

- 2.1 To note the initial proposals and agree that officers will keep the Executive informed of subsequent proposals and their implications for Brent.
- 2.2 To respond to the DCLG consultation on planning outlining our concerns at the proposals.
- 2.3 To seek input and direction from the Executive with regard to the other proposals.

3.0 BACKGROUND

- 3.1 The Greater London Authority, which comprises the Mayor and Assembly, was first elected in 2000. Its main powers are exercised by four functional bodies covering: transport, police, fire and emergency planning, and the London Development Agency. It also has powers to produce the London Plan.
- 3.2 In the May 2005 General Election the Government promised to review and extend the powers of the Mayor of London.

- 3.3 In November 2005 the Office of the Deputy Prime Minister published a consultation paper entitled "The Greater London Authority – The Government's proposals for additional powers and responsibilities for the Mayor and the Assembly". This document set out the main areas where the government was considering extending the powers of the GLA.
- 3.4 There were four main areas identified which were Housing, Learning and Skills, Planning and Waste Management. There are a number of more minor areas also covered that affect Local Authority's far less.
- 3.5 The consultation paper set out a range of options for each area and invited comments from stakeholders including Local Authorities.
- 3.6 Brent Council responded to the consultation paper in February 2006 and we are noted as a respondent.
- 3.7 The Department of Communities and Local Government published their proposals on July 13th 2006.
- 3.8 The proposals will form part of a GLA Bill which will be brought before parliament probably in the next session which will commence in October 2006. Some of the proposals such as those relating to Learning and Skills can be brought forward earlier under existing legislation. It is anticipated that the new arrangements will be in place by 2008.

4.0 HOUSING

4.1 Regarding Housing the DCLG propose that:

- Responsibilities of the London Housing Board will transfer to the Mayor
- The Mayor will prepare and publish a statutory Housing Strategy for London and a strategic Housing Investment Plan
- The Mayor will decide the broad distribution of the affordable housing part of the Regional Housing Pot in line with the strategy with the exception of decent homes funding

4.2 Responsibilities of the London Housing Board will transfer to the Mayor.

The London Housing Board (LHB) is currently chaired by the Government Office for London (GOL) and includes representatives from the GLA, ALG, Housing Corporation and English Partnerships. It is responsible for producing the London Housing Strategy (LHS) and for advising ministers on the allocation of the Regional Housing Pot (RHP). The Mayor will be free to make changes to the make up of the Board, although it is likely that the same key agencies will remain in place, possibly with the addition of a representative from the London Development Agency. The Mayor will also be free to make changes to the main consultative body for the Board, the Housing Forum for London. Again, it is likely that a similar body will be retained. The key point to note is that the Board is essentially an advisory body, with final decisions resting with the Mayor. This change was broadly

supported by those responding to consultation, including London boroughs and the ALG.

4.3 The Mayor will prepare and publish a statutory Housing Strategy for London and a Strategic Housing Investment Plan.

The key change here is that the Strategy becomes statutory. The strategy will have a similar status to the London Plan, which the Mayor already produces. The full implications are a little difficult to predict at this stage but the paper notes that “borough’s housing strategies should be in general conformity with the London Housing Strategy”. This is the same phrase used in the context of the London Plan and, in principal, may allow the Mayor to challenge a local housing strategy if it is not in conformity. However, it should be noted that the expectation is that the LHS will set the broad, long-term strategy, leaving room for variation at the borough level. The Mayor will also produce a Housing Investment Plan, in line with the three year Comprehensive Spending Review timetable.

4.4 The Mayor will decide the broad distribution of the affordable housing part of the Regional Housing Pot.

The Mayor was particularly keen to see this change and was supported by the ALG, subject to certain safeguards being introduced, although some boroughs (including Brent) opposed it. While the LHB made recommendations to ministers about funding, with the final say remaining with government, the Mayor will be able to make decisions on the allocation of the RHP, except for Decent Homes funding, which will still be allocated direct to local authorities. The policy statement also excludes the smaller allocations for private sector housing that are currently distributed sub-regionally on the recommendation of the LHB. The Mayor will make recommendations to ministers on this element.

4.5 The power to decide the broad allocation of the affordable housing element – that is, the Housing Corporation programme in London – will allow the Mayor to influence several key areas. Most significantly, the Mayor will decide the spatial distribution of the funds between and, to some extent, within the London sub-regions. The Mayor has expressed a desire to see investment in the Thames Gateway and other growth areas accelerate and this will be heightened by the successful Olympics bid. The key risk is that investment will move towards east London at the expense of other sub-regions. Linked to this, the Mayor will wish to press for the adoption of a pan-London choice based lettings system to allow access to new housing in the Gateway and elsewhere. However, this may be mitigated in the short term by the lack of infrastructure and other development issues in the Gateway and in the longer term by the need to maintain a balanced approach to meeting need and demand across London. It should be noted that that the 2006-08 programme is already in place, so any impact will not be felt until 2008-10.

4.6 The Mayor will also influence the balance of the Housing Corporation programme in terms of the unit mix, where a need for more large homes is recognised across London. Possibly, there will also be an influence over the mix between affordable rented and the various low cost homeownership and key worker schemes, although this may be seen as a matter of national as

well as regional importance and government may not wish to see much alteration to current policy in this area.

4.7 In summary, the Mayor will be able to influence what is built and where, while the Housing Corporation will retain responsibility for deciding who builds it and how and will continue to work with local authorities on the detail of schemes and the planning process. The Secretary of State retains reserve powers of direction to ensure that the Mayor's decisions are consistent with national policy.

5.0 LEARNING AND SKILLS COUNCIL

5.1 Regarding the Learning and Skills Council the DCLG propose that:

- The Mayor will chair a new London Skills and Employment Board in partnership with London's business leaders, with responsibility for improving the skills of Londoners.
- Working with the board the Mayor will be required to prepare a new Adult Skills Strategy for London
- There will be one Learning and Skills Council (LSC) for London, which will sit within the national LSC structure and spend its adult skills budget according to the priorities set out in the strategy.

5.2 Brent Adult Community Education Service (BACES) is a service wholly reliant on LSC funding. Therefore, we need to see how these new powers for the Mayor will affect the distribution of resources and how the new Board can be influenced.

5.3 The main concern from these proposed changes is the fate of the current strand of the Adult & Community Learning (ACL) non-accredited courses which may be leisure orientated or do not lead directly either into other learning, accreditations or employability. These types are already being squeezed by the LSC's funding strategies which, for example, have reduced funding for ACL courses by £115k for academic year 2006/07 in Brent.

6.0 PLANNING

6.1 The most controversial section of the proposals relate to Planning.

The DCLG propose that:

- The Mayor will be able to direct changes to the local development plans that Local Authority's produce. The Secretary of State will retain the right to override the Mayoral objection
- The Mayor will have a greater say on whether draft local development plans are in general conformity with his London Plan.
- The Mayor will have the discretion to determine planning applications of strategic importance

6.2 Regarding the powers over Borough Plans the Mayor is assuming the responsibilities of the Government of London (GOL) had in overseeing the production of borough development plans (Local Development Framework or LDF).

- 6.3 Currently plans have to be in general conformity with the London Plan but under the new powers the Mayor will be able to change borough development plans if they are not in accordance with the London Plan. This could have implications for a whole range of issues including affordable housing thresholds and parking standards.
- 6.4 One area of particular concern will be how involved the Mayor seeks to become involved in local detailed or site specific proposals given the level of detail already in the London Plan.
- 6.5 Under the new proposals the Mayor will be able to direct changes to Borough's Local Development Schemes or LDS's. These are the timetables for LDF's and in effect boroughs can be told what planning documents it should produce by when.
- 6.6 The most controversial part relates that the powers the Mayor will have over larger applications. The DCLG anticipate that: "These applications are likely to relate to developments of substantial size and in the case of waste management those critical to the delivery of the Mayor's waste strategy".
- 6.7 It is anticipated that London Boroughs will continue to send strategically important applications to the Mayor. He will decide to do one of 3 things with these applications (i) Leave application to Borough to decide (ii) Ask to be consulted after Borough has made decision so he can direct Borough to refuse application or (iii) Set a limited time for authority to take over application and then to take over the application explaining his reason for doing so. On such applications the Borough should carry out the public consultation with the fees for the application split between the GLA and the borough.
- 6.8 The applications to be called in for Mayoral decision will be ones that have strategic importance: "The test could include whether the application raises the likelihood of significant conflict with the London Plan". It is anticipated that the applications will be the same ones already being called in the change being that his power over these applications increases as opposed to him taking over even more applications.
- 6.9 The Mayor will be the lead party for S106 discussions about these applications but he will have a statutory obligation to consult the Boroughs.
- 6.10 The Secretary of State will retain the right to call in an application but will only do so in exceptional circumstances.
- 6.11 By providing the Mayor with positive planning powers to approve developments of strategic importance there will inevitably be conflicts with a number of boroughs. The Mayor's reasons for wanting the powers were to prevent some Councils holding back development and slowing the delivery of housing. The real issue is the nature of the guidance used by the Mayor in calling an application in for a decision. Consultation on criteria is promised, and the key issue is how flexible it will be. The worry will be that on major developments developers may be inclined to discuss detailed schemes with the Mayor rather than the borough, particularly if they anticipate a high degree of local opposition to a scheme. This may also include Section 106 negotiations. This may mean also more S106 funds go on strategic rather than local priorities.

- 6.12 The net result will be that the Boroughs will have less control and influence. This may tempt some authorities to encourage smaller scale schemes that will not be referable to the Mayor and lead to a more incremental approach to new development. Such an approach could work against the creation of more sustainable development with adequate support facilities such as education and health provision that is better managed with a more comprehensive approach.
- 6.13 A further impact could be the loss to the boroughs of fee income from planning applications, as the suggestion is that fees would be shared between the borough and the Mayor on larger schemes. Any enlargement of the GLA to address the extra responsibilities may draw staff from the boroughs and worsen the already difficult staffing and recruiting of planning staff in the capital.
- 6.14 All of this will form part of the GLA Bill. It is worth noting that the vast majority of respondents to the consultation exercise opposed any increase of the Mayor's powers regarding Planning but that the DCLG made these recommendations regardless.
- 6.15 On August 10th the DCLG announced a new consultation on elements of the planning proposals. These are:
- The thresholds which define planning applications as being of potential strategic importance and must be referred to the Mayor.
 - A policy test which the Mayor will need to apply to those applications he sees in order to decide whether his intervention would be justified.
 - Changes to some of the processes and procedures for referral of applications to the Mayor.
- 6.16 It is appropriate that Brent Council responds to this consultation and uses it as an opportunity to reiterate our concerns about the Planning proposals in general. The closing date for the Consultation is November 2nd.

7.0 WASTE MANAGEMENT AND PLANNING

- 7.1 On Waste the DCLG recommend:
- The Mayor will be given further powers regarding waste planning including control over strategic applications
 - Waste authorities will be required to deliver functions under Part II of the Environmental Protection Act (1990) in "general conformity" with the Mayor's Municipal Waste Management Strategy.
 - The Government will establish a new London-wide Waste and Recycling Forum, to bring stakeholders together to deliver improved performance on waste
 - The Government will establish a new London Waste and Recycling Fund administered by the above body
 - The Government will establish a dedicated London Waste Infrastructure Development Programme to get new waste facilities on the ground, led by DEFRA and with strong GLA involvement

7.2 These are the minimalist proposals and with the exception of the Planning aspects are relatively uncontroversial. These parts relating to Planning and for Local Authority needs to be in “general conformity” with the Mayor’s Municipal Waste Management Strategy will be part of the GLA Bill whilst the rest can be introduced under existing legislature.

8.0 EUROPEAN STRUCTURAL FUNDING

8.1 DCLG state that the vast majority of respondents supported either GLA or LDA being in charge of European funding. A final decision has yet to be made as to who will manage European funding but it is anticipated that this will involve a transfer of power from GOL to the GLA but the form of it has yet to be decided.

9.0 MISCELLANEOUS

9.1 The proposals also cover a number of minor areas which affects Local Authorities far less.

9.2 Culture

- The Mayor can appoint the Chairs and some board members of the Arts Council England (ACE) London, the London Regional Sports Board (LRSB) and Museums, Libraries and Archives (MLA) London.
- The Mayor should consult arts, sport and other cultural delivery bodies in the future development of the Mayor’s Cultural Strategy and national and regional strategic cultural bodies should consult the Mayor on their strategies, where there is a London impact

9.3 Health

- The Mayor is required to promote the reduction of health inequalities in London and prepare a strategy to tackle those inequalities
- The Regional Director for Public Health (RDPH) will act as Health Adviser to the Mayor and GLA

9.4 Climate Change and Energy

- The Mayor is to prepare and publish a Climate Change and Energy Strategy for London, stating how the Mayor will minimise emissions of carbon dioxide caused by the use of energy in London, help to eradicate fuel poverty; and harness economic opportunities for London from investment and innovation in energy technologies and energy efficiency.
- He will also prepare and publish a Climate Change Adaptation Strategy setting out how the capital should adapt to the effects of climate change
- The GLA will be subject to a specific duty to take action to mitigate the effects of climate change and adapt to its unavoidable impacts

9.5 **Water**

- The Secretary of State will have regard to the Mayor's Water Action Framework when framing guidance to regulators in preparation for a review of water price limits

9.6 **Functional Bodies**

- The Mayor will have the discretion to appoint political representatives to the Transport for London (TfL) Board.
- The Mayor will either appoint the Chair of the Metropolitan Police Authority (MPA) or assume the role of Chair himself.

9.7 **GLA functions/London Assembly**

- The Assembly will be able to set its own budget and will publish an annual report setting out its work and achievements over the previous twelve months.
- The Assembly will decide whether to hold non-binding confirmation hearings with candidates for key appointments the Mayor proposes to make
- The Mayor will be required to have specific regard to the views of the Assembly and the functional bodies in preparing or revising his strategies. He will need to provide reasoned justifications where he is not acting on their advice.
- The Mayor and Assembly will jointly appoint the Authority's three statutory posts. Most other GLA staff will be appointed by the Head of Paid Service.

10.0 **CONCLUSIONS**

10.1 Most of the proposed changes are welcome in that they represent a shift of power from the centre towards the Mayor allowing him to have a greater voice over matters of concern to Londoners.

10.2 The four areas where proposed changes affect Local Authorities most directly are in Housing, Learning and Skills, Planning and Waste.

10.3 The waste proposals are very minimalist and represent very little change from the current arrangements and given that Brent argued in our response to the consultation that we should be more radical we could regard this if anything as a lost opportunity to get a greater grip on waste management policy across the city.

10.4 The Learning and Skills proposals seem welcome in that they will streamline the adult learning agenda for London. We do have a concern about our non-vocational courses and there is an argument for some Borough representation on the Learning and Skills Board but broadly this seems a step in the right direction.

10.5 The Housing proposals are broadly to be welcomed in that they represent a transfer of powers from the London Housing Board to the Mayor. However, the allocation of housing numbers is likely to be an area of concern although

this is more likely to affect Boroughs on the edge of the city rather than Brent.

10.6 The Planning proposals are the most concerning aspects of these proposals in that they directly affect the powers of Local Authorities. The right to call-in and make decisions on strategic applications and the Mayoral input in S106 agreements threaten to undermine the work of planning departments across the city. It is for that reason that we need to make our concerns clear attempting to influence any debate about the extent of these powers and ensuring that, for example, the applications classified as strategic are defined as so large as to nullify some of the potential for intervention and interference.

10.7 Given that the Planning proposals will require primary legislation it seems appropriate for Brent to make its concerns clear. The aim must be to try to ensure that the GLA Bill appreciates the democratic accountability of Local Authorities and the vital role they play in the planning process including deciding applications and negotiating S106 agreements.

11.0 FINANCIAL IMPLICATIONS

11.1 None arising from this report.

12.0 LEGAL IMPLICATIONS

12.1 None arising from this report.

13.0 DIVERSITY IMPLICATIONS

13.1 None arising from this report.

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