



The Constituti

ISBN: 1 903903 17 3

Published by The Constitution Unit
School of Public Policy
UCL (University College London)
29-30 Tavistock Square
London
WC1H 9QU
Tel: 020 7679 4977 Fax:020 7679 4978
Email: constitution@ucl.ac.uk
Web: www.ucl.ac.uk/constitution-unit/

©The Constitution Unit, UCL 2003

This report is sold subject to the condition that it shall not, by way of trade or otherwise, be lent, hired, by any person or corporation, or in any form of binding or cover other than that in which it is published and with any similar condition including this condition being imposed by the subsequent purchaser.

First Published February 2003

Contents

Executive summary	5
Introduction	7
I. What is the GLA and what is it for?	9
Modernising public service: MPA+ LFEPA+ LDA+ TfL= GLA?	10
Controlling public services	10
Financing public services	13
Summary: Why the GLA should but cannot modernise public services	14
Planning and strategies: does London have a strategic planning authority?	15
Infrastructure	17
Democratic accountability?	19

Executive summary

— The GLA is the wrong government in the right place. Its existence and responsibilities respond to London's need for modernisation of public services, sensible planning, redeveloped infrastructure, and democratic, accountable government. But the overlong, micromanaging GLA Act, the Authority's lack of real powers and its curious structure make it unable to fulfil these roles.

— The GLA is unable to modernise public services because it has no real power over the fire, police, and development 'functional bodies', and the Tube, that operate services. Their real accountability is to ministers as much as to the GLA because they are still independent organisations and because their money comes ring-fenced from Whitehall. By contrast,

Introduction

“The London experiment is being viewed by other regions as an outstanding model—of what not to do.”

Trevor Phillips, GLA Chair¹

The first thing to do to improve the governance of London is to delete 253 sections of the Greater London Authority Act. The Act is 429 sections, 38 schedules and 493 pages long and contains both an excellent idea and the seeds of the GLA’s current frustrating ineffectiveness.

The Act creates the wrong government in the right place. The Act enshrines real and valuable goals: modern public services, serious and sustainable economic growth, a suitable infrastructure and a democratic government. The GLA has the right powers—its responsibility for fire, police, development, transport and strategies are the right responsibilities if it is to complement the boroughs and serve the needs of London as a whole. What it does not have are the right structures. Its lines of accountability are all too attenuated, the various authorities preserve too much of the spirit of the quangos it was supposed to replace, and it lacks the capital investment ability that not only would build a sensible infrastructure for the city but

Our contention is that the GLA, as constituted by the Act, is unable to play any of these desirable roles. No matter what the skill, party, and strategy of its politicians, it cannot fulfil these roles because the GLA is an inadequate tool. It is not capable of strategic planning that matters; it is not capable of mobilising resources to a chosen end; and it does not improve the accountability and integration of public services.

We propose solutions that would make the GLA fit for purpose. Part I of this briefing analyses this role for a London government. It focuses on the strong case for a London government and on the structures that prevent the GLA from being up to its tasks. Part II diagnoses the problems and proposes remedies—changes to the Act that would make the GLA able to modernise government, develop infrastructure, plan for the future and improve democratic accountability. Part III summarises the ailments and the remedies.

I. What is the GLA and what is it for?

It is not clear what the GLA is, either in law, in public administration, or in practice.

Specifically, it is not clear whether it is the first prototype of a form of regional government to be rolled out across England, or a local government fulfilling traditional local government functions in the complex context of London. Partly this reflects the fact that 'Greater London' has always been a contested concept: the Greater London Council, in existence between 1964 and 1986, was apt to refer to itself as a regional authority, although in law it was clearly an upper-tier local authority with distinguishing features. Its regional aspirations sprang from the fact that it had replaced the London County Council, which only covered what are now the 'inner London' boroughs, and had taken on a whole new swathe of territory in what are now considered the 'outer London' boroughs.

The same regional/local contest characterised the creation of the GLA: a former special adviser to the Government tells us that "an internal advice note stressed that the GLA should not be considered a devolved administration on the lines of those in Scotland, Wales and Northern Ireland. The GLA was to be treated as a strategic form of local government."³

of the power to establish traffic humps, a long insertion into the Highways Act 1980).⁴ The result is a complicated hybrid that weighs the new GLA down with overly specific law better dealt with in other legislation or by a clean start.

While the Act's promise of sustainable economic development, social development, and environmental improvement is certainly a good list of desirable objectives, the GLA's real and potential role is clearly visible, smaller, and more clearly delineated in politics as well as in its powers. The GLA should modernise public services and integrate them across divisions and the city; the GLA should develop a city-wide infrastructure that replaces antiquated parts and responds to London's growth; the GLA should promote London-wide planning to manage its growth and change; and the GLA should make London's governance more democratic and accountable. Does it?

Modernising public service: MPA+ LFEPA+ LDA+ TfL= GLA?

It is hardly a novel claim that the governance and public administration of England could be improved—that stifling centralism, lack of resources and red tape all hamper efforts to deliver services, innovate, and change. It is also hardly novel to note that many of the worst problems are in the penumbra of quangos and agencies that deliver many services for the central government and exist at arm's length from oversight and democratic accountability. Quangos are, in theory, specialised, flexible organisations that bring in relevant stakeholders and perform a specific function more efficiently. But they also carry several disadvantages that help explain some of the problems of public administration in England. Quangocracy can split public services into vertical divisions that need not speak with each other; the result is that it is by sheer luck and goodwill that they work together or avoid working at cross-purposes. Quangos

GLA is a small organisation that actually operates no services. The main bulk of “GLA” services are actually run by “functional bodies”. These are quangos, autonomous organisations, which report to boards partly or wholly chosen by the Mayor and constrained by the Act. So some of the highest-profile GLA powers are actually not ‘powers’ in any normal understanding of the word. Executive power rests in a quango at least one step away from the Mayor, the elected executive.

Although the GLA nominally assumed responsibility for several key London-wide services, they came as boards with varying degrees of mayoral participation. To whom, then, are these boards accountable? The London Assembly has no direct role in the appointment of the boards or in constructing the strategies which those boards must deliver. Many members of the Assembly are appointed to functional body boards—indeed, the MPA and LFEPA boards *must* contain a majority of Assembly members. Given that the Assembly has little else to do, the result is that the boards are the best job on offer. Having been elected to a democratic institution, therefore, these people exercise greater power through the beneficence of the Mayor than through their own electoral mandate.

The most famous and oldest “functional body” is the Metropolitan Police Authority. The Metropolitan Police, i.e. Scotland Yard, has effectively been an autonomous agency of the central government for most of its history (for much of the Industrial Revolution, London police were called in to handle, or put down, particularly determined popular protest around the UK). The Metropolitan Police is a police authority with substantial autonomy and substantial importance: according to its web site, it employs 25,550 police officers, 10,800 civil staff, and 844 traffic wardens. The Mayor sets its budget as part of the annual GLA budget, subject to a floor chosen by the Home Secretary. The Mayor also appoints 12 Assembly members to the 23-strong MPA Board (most of the rest are magistrates). The Commissioner, however, is chosen by the Home Secretary. The Board is then responsible for setting “policy.” “Operational” matters are effectively governed through an independent police structure vaguely accountable to the Home Office.⁵ Thus the actual activity of the police is firmly kept away from GLA control and is instead in a police-dominated structure under rather remote Home Office tutelage. The authority of the GLA is weak, and what authority it has is invisible, while the government attracts responsibility for almost anything that happens, even if it is the fault of a largely self-administering force.

The London Fire and Emergency Planning Authority (LFEPA) is responsible for firefighting and aspects of civil defence; it employs 5700 firefighters in 113 stations. It also is responsible for emergency planning, but that actually means preparing for very big fires and helping boroughs with their statutory responsibility to participate in planning for events such as

⁵memqK, now0.110.1252 Tw(central io0en ifing T.cm)tny int9ents such asfor 5cr8 TD0.1101 Tw1 Tc0.125at acturity (

terrorist attack. In light of the unsatisfactory state of UK emergency response and communicable disease law,⁶ this leaves planning for disasters and atrocity in something of a limbo. Here, the GLA is less distant from responsibility than the police. The Mayor appoints the members and chair of the LFEPA (including 9 Assembly members of its total membership of 17; most of the rest are local government). As a result the LFEPA combines attributes of a quango and an executive agency to produce a sort of close-in arms-length governance.

The London Development Agency (LDA) is a typical development quango that, unlike its peers in the English regions, was handed over to a government (the English regional assemblies as presently constituted have some scrutiny and strategy functions with regard to their regions' development agencies). The Mayor appoints the board, and unlike in the case of the MPA and LFEPA there are no obligations to use a certain number of Assembly members. It is, though, governed by the same law as the other Regional Development Agencies, which requires that some members have business experience. The Mayor and Assembly also set its budget and consult on its economic development strategy. It administers central government regeneration funds (merged into a single pot); again, the GLA could raise the precept to increase development funds but cannot reduce or shift development spending. Unlike the other boards, it is relatively diverse since the Mayor's incentive, and the present Mayor's strategy, is to reach out to different groups and there is no requirement to have a certain quota of any group.

The most controversial, and the most expensive, authority is Transport for London (TfL). It is both fully within and partly outside the Mayor's power. TfL is run by a board of 12 members, 8 of whom are appointed by the Mayor and 4 by the Secretary of State. The Mayor appoints the chair and the Secretary of State appoints the vice-chair. The Mayor also appoints the members of the TfL Board who are not appointed by the Secretary of State. The Mayor also appoints the members of the TfL Board who are not appointed by the Secretary of State. The Mayor also appoints the members of the TfL Board who are not appointed by the Secretary of State.

Financing public services

All these constraints on the GLA in transport touch on a major, ongoing constraint: the finances of the GLA. Although in theory the Mayor ‘sets the budget’ of each of the four functional bodies, each actually receives the vast majority of its funding from central government grant via the Mayor, who is merely a post-box. The Mayor cannot vire across the budget heads. He/she can add to them by increasing the precept on council tax (this is also the means by which the running costs of the GLA are met).⁷ The current Mayor has, unsurprisingly, increased the precept considerably in each of his years of office. As council tax is collected by the boroughs, the Mayor stands at one remove from the consequences of his tax rises.

As the Mayor’s financial room for manoeuvre is so limited, he can hardly be blamed for using the only tool available. London’s problems (in addition to the problems for which boroughs are responsible) are massive. The precept (along with the complex and potentially unpopular congestion charge and workplace parking levy), are the only ways the Mayor has to add revenue *at all*. Adding revenue is the only way to change the budgets and priorities of the four agencies: without it, London merely passes on whatever priorities the UK government has. And the boroughs pay the political costs of a higher council tax.⁸ It is hardly surprising, then, that the GLA is showing a tendency to bleed the precept. It would be a foolish politician who did not respond to the Act’s clear incentives to do so.

The Mayor can be a lobbyist for funds—and despite the theatrics in Mayor Livingstone’s relations with the central government, London’s problems and his lobbying have led to government promises of new investment. Still, the central government and important bodies like the Strategic Rail Authority are besieged by lobbyists for funds, and not much distinguishes the Mayor.

Hence TfL cannot be much beyond an administrative body for the Tube contracts and a franchiser for bus services since it has no capital budget and nowhere to get a capital budget. It is treated in the Act like the other authorities; the Mayor can raise revenue (through the precept and congestion charging) but that will be small in proportion to running, let alone investment, costs (gross annual revenue is estimated at £100-£175 million, with start-up costs of some £600 million). In other words, the cost of investment in infrastructure is far beyond the capabilities of TfL or the GLA and is crucial to developing or even maintaining the system. Thus, no matter how the organisation is structured, major new investment requires central government support. London’s problems are serious, and require serious money to be solved.

⁷ Before the existence of the GLA, the Metropolitan Police and the Fire Service imposed their own precepts on the boroughs. The same system is used in other areas covered by former metropolitan counties, such as Greater Manchester, West Midlands, and Tyne & Wear.

⁸ Many London boroughs have taken to displaying not only the amount of precept demanded by the GLA but also the increase compared to the previous year, allowing taxpayers to see the degree to which the Mayor is to blame for their higher bills.

result is that it is hard-put to offer incentives to others, to pitch in at common projects, or to change the services for the better.

The Golden Rule of politics is that “he who has the gold makes the rules.” Patently, the GLA isn’t making the rules in London.

Planning and strategies: does London have a strategic planning authority?

“Horizontal integration? No. No! We’re a quango, aren’t we?”

Housing Corporation officer

The Mayor’s remit does not just include direct responsibility for things he or she indirectly controls. It also includes responsibility for the future of the city, promoted by persuading other people to use their resources to pursue the Mayor’s plans. This is called a strategic government.

The Act places great faith in strategies. The current vogue for strategic government has developed out of a consensus that many public policies require the input of different groups if they are to achieve their goal. Planning, housing, education, training, and transport must be integrated if excluded youth are to be brought into the workforce (they need to both know what to do and be able to get there). Police, housing, planning and health are all involved in cleaning up drug blackspots (while going on to get the young people out of the drug economy and into society requires education, development, training, transport, health, and social work). Congestion will increase unless transport policy, land-use planning, housing, and economic development are in line. The fact that local councils want to get youths into work does not mean they can do it without finding a bus route between their homes and the jobs.

Strategies offer to lay out a common agenda that different organisations can pursue. The process of formulating a strategy allows them to meet and discuss ways they can help (or at least not interfere with) each other, and the strategy can serve as a guide to producing the chosen outcome from the efforts of multiple and very different organisations. Furthermore, strategies offer the prospect of achieving goals without structural reorganisation (the traditional UK response to goal changes). The problem, of course, is that strategies can all too easily be nice pieces of paper. It is fiendishly difficult to get organisations to change direction even when the proposed new policy is pushed from above, comes with carrots and sticks, and coheres with the organisation’s existing culture and mission. It is yet harder if, as in London, the task is new, the potential partners are busy chief executives, and there are no carrots or sticks.

Faith in persuasion and discussion, as alternatives to ‘command and control’, is a tenet of New Labour as it tries to take on social problems and induce the public services to deliver better outcomes. The popularity of ‘cross-cutting’ strategies, or horizontal integration, running across several traditional policy areas, reflects the complex causes of big problems such as

crime, drugs, and congestion. They should also induce a multiplier effect in the public services by causing them to help each other at little additional expense or effort. It is all, at least in theory, about writing the right agenda. Reflecting this belief, the Greater London Authority Act makes strategy-writing the main direct task of the Mayor (given that running fire, police, development and transport are all indirect tasks).

Hence, the Act makes a number of strategies mandatory: Air Quality, Ambient Noise, Culture, Spatial Development, Biodiversity Action, and Waste Management. The Mayor must also write a transport strategy with TfL and take part in the writing of the Regional Economic Development Strategy, which governs the activities of the London Development Agency (this is also partly governed by the Regional Development Agencies Act 1998). The Mayor may create strategies on any other subject that he or she pleases. Each of these strategies must be “consistent with national policies”¹¹; each must take into account “the health of persons in Greater London; and the achievement of sustainable development in the United Kingdom”.¹²

large organisations such as the boroughs, the central government, the Strategic Rail Authority, NHS trusts, and developers to agree an agenda and force it through their own organisations. Then they can go wrong in the implementation, when staff are required to do things they would not normally do, and do them on somebody else's behalf. Meanwhile, they can also go wrong on grounds of impracticality. Strategies, at base, are about spending somebody else's money. Unless that somebody else is closely involved, there is an obvious risk that costs and benefits will be unbalanced. This problem is exacerbated by the fact that the lifetime of a strategy is two to five Mayoral terms, thus increasing the possibility either that new mayors

Infrastructure

If one political issue is salient in London politics, and widely seen as a London issue, it is transport and transport infrastructure. It seems to visitors that the traditional English tendency to talk about the weather has been replaced with a tendency to talk about trains and the Tube. It is also an issue that is clearly London-wide; after Scotland Yard, the various incarnations of London Transport have been the oldest and highest-profile “London” institutions.

London’s transport is not a regular topic of conversation because the weather has improved. It is clearly in, or at least approaching, a crisis composed of three problems. First, it is underinvested; decades of deferred maintenance have left crucial parts of the infrastructure (much of which is over a century old) in poor shape. Bad decisions, such as the 1980s focus on station modernisation rather than tracks, have not helped. Second, it is under increasing strain even as its decades of neglect catch up. The population of London, after decades of decline, is growing rapidly and putting intense pressures on a transport infrastructure built for a smaller and less mobile city. Third, it requires some new thinking about modes of transport and routes as the city grows in new directions, sectors, and activities and areas’ uses change.

Furthermore, transport and planning also mesh. Infrastructure without planning leads to sprawl and wasted investment. Planning is often nonsensical unless hooked to infrastructure—and infrastructure planning only makes sense in relation to overall spatial planning. Argument tends to focus on permissions and regulation, but that is only one way they shape a city. Another crucial way is infrastructure. Residential areas without transport, clinics, doctors, schools, and other services are disagreeable (in other words, local government and the NHS must be engaged). Transport infrastructure changes the shape of areas—the examples of Canary Wharf and Stratford show how transport planning and judicious use of planning permission can drastically change the social and economic composition of a place.

Transport might be the most visible infrastructure problem facing London, but there are other issues. Building projects and infrastructure are crucial to sparking and channelling economic growth and change. Government dragooned business into reshaping the Docklands and built the infrastructure, the Dome will make North Greenwich a very curious place for years to come, and airports such as Heathrow and London City can have dramatic effects (or be wasted opportunities). A regional government adds value in this kind of project by being closer to the ground and by linking infrastructure developments to the planning requirements described above. However, the GLA entirely lacks the resources required to be taken as a serious player with influence. If the GLA had infrastructure funding ability, it could play a serious role. The result would be good for London, since its resources would induce other groups to try and make deals with it. London’s Olympic bid, let alone any actual Olympic games, could be a fiasco and contribute little to the city’s future unless there is a central player who can influence decisions, who can relate quality of life, growth, development and the events to the wishes of the population, and who will pay a price for bungling the Games. Central government, with many hundreds of other concerns and potential conflicts, cannot

be expected to bring the same focus to such processes; indeed, it should not, as the organisation of such events is a regional, rather than a national issue.

In short, infrastructure is an expensive but necessary and powerful tool to change cities. London has suffered because infrastructure tends to be designed without input from the city itself. The result is a strange and unbalanced legacy of urban growth and periodic farces, whether the ongoing saga of Wembley Stadium, the failure of the Pickett's Lock development, the marvel of a new airport (London City) that is as yet inaccessible by public transport, the isolated, deprived brutalism of Thamesmead, or the dismal delays to Crossrail (first mooted in the mid-1980s and still on the drawing-board) and Thameslink 2000. The city would work better if its government could contribute to its own architecture and take some real responsibility.

London faces many tempting possibilities. They conjure up the image of a London that could bring popular energy and local leadership to bear on its challenges and opportunities, just as cities such as Barcelona have done. They are also currently impossible. The GLA simply does

abolition of the Metropolitan Counties, and multiple reorganisations.

Developments thus far in the government of Greater London have done little to reverse this trend. They reflect tensions between a Labour commitment to extend and revitalise democratic accountability for public services, and a New Labour commitment to prioritising managerialism and professionalism over against democratic accountability. Then, even leaving out the attenuated links between the GLA and its functional bodies, its power over the administration of London is small. It has no control over the Government Office for London, the NHS, the Learning and Skills Councils, Small Business Service, Housing Corporation, or any of the national cultural or environmental quangos. In budget terms, even leaving out the GLA's lack

(a position which will conceal many shades of opinion). If the Mayor is devious or hostile in his or her attitude to the Assembly it is very difficult for the Assembly to make any headway—and that will prevent outside agencies from investing time or attention in it. This is not to mention the frustrations of attempting to influence an influencing Mayor. That a new democratic assembly has been set up at so many removes from executive power, and yet is expected to do anything useful, is little short of absurd.

Indeed, as observed earlier, the members of the Assembly have more power as members of the various functional body boards than as Assembly members. Appendix 2 lists the members of the Assembly alongside their various other commitments. 21 of the 25 Assembly members sit on functional body boards, some on more than one. Additionally, six members sit on the Mayor's Advisory Cabinet, a position which carries no direct power but which provides access to executive discussions. Then there are some members who hold jobs outside the GLA which appear potentially conflictual.

Apart from the sheer confusion caused, this web of memberships has, in the past, led to advisory cabinet members sitting on scrutiny committees looking at policies they themselves were involved in developing. The London Assembly has also (though less frequently since a review in mid-2002) convened committees of its own on Economic Development and Transport, and on policing issues, thus duplicating the board structures. It cannot be blamed for wanting discrete influence in these subjects: the tendency to duplication is a product of the GLA structure.

The Assembly has in fact carried out some interesting work. For instance, its report on London weighting, its investigation into late-night bus travel, and scrutiny of the failure of the Millennium Eve firework show are all timely and ought to be of interest to policy-makers in London. But the built-in lack of influence means that, just as strategies alone are insufficient as the *raison d'être* of the GLA, scrutiny alone is insufficient as the *raison d'être* of the London Assembly. The Assembly is an elected think-tank. Think-tanking is doubtless important, but it should not be the only job of elected politicians.

It may be that another obstacle to the relationship between Mayor and Assembly is the unexpected victory of an independent Mayor. Despite the ostensible split between executive and legislative/scrutiny in the form of Mayor and Assembly, it seems likely that the creators of the Act envisaged a closer partnership between the two using political party, not structural/constitutional, links. As a Labour Mayor, Ken Livingstone might have appointed a range of Labour and Liberal Democrat Assembly members to cabinet or board positions, used party links to pilot the annual budget through the Assembly, and more closely co-ordinated the work of Mayoral policy researchers and the scrutiny function. In the event the Assembly's determination to scrutinise over against joint working has cast it into the wilderness in terms of power and influence: they have had to fall back upon an entirely inadequate constitutional structure.

The result is that the GLA arrives at remarkable situations such as that of Nicky Gavron, who

is an Assembly member, a Cabinet member, deputy Mayor, a board member responsible for policy, a committee member responsible for scrutiny, and lately the Labour candidate for Mayor. That means she is appointed by Livingstone, is in opposition to Livingstone, scrutinises Livingstone, makes policy for Livingstone, and has been selected to run against Livingstone.

In politics powerlessness breeds irresponsibility. It is to their and London's credit that Assembly members have worked hard on policy and not indulged the temptation to grandstand, since they have precious little else to do. It is not to the credit of the London model that the elected representatives of the people are thus underemployed in a city rich in issues for both scrutiny and leadership.

II. Diagnosis and Treatment

So the problems of London that a London government can fix are fragmentation; a need for modernisation; a need for democratic accountability; and a need for a well-planned and properly organised city-wide infrastructure that goes with planning. The GLA, regardless of its powers of persuasion and publicity, is presently unable to deliver. It cannot deliver because it is not fit for the purpose.

The basic problem is a lack of trust in its responsibility that led to an Act that gives it incentive only to be irresponsible. Much of this is probably down to fear of Ken Livingstone, who had already announced his candidacy while the GLA was being drawn up in 1999. It is impossible to overstate New Labour's loathing of Livingstone, who was one of the symbols of early 1980s extremism in the Labour Party. But the mind-numbing circumscription and detail of the 493-page Act is bound to create a self-fulfilling prophecy: it gives incentives to the Mayor to do very little and blame others when things go wrong. The GLA has hardly been given the opportunity to have much impact and thus should have been far noisier and less constructive than it has been.

The problem lies in its competencies and structure. Fundamentally, the confusion (and political ill will) that surrounded the birth of the GLA meant its powers are half-devolved. They are pushed away from the central government but not given to the GLA. Key powers—police, transport, fire, and planning—that make up the bulk of the GLA are still subject to strong central government constraint. They end up, therefore, in the middle. They are neither fully the GLA's nor fully the government's. Neither is able to reform them, both attract public complaint, and the services are not effectively controlled. Thus, we end up in the strange situation of having, effectively, a whole government (2.5 times larger than the original estimate of 250 staff) sustaining a person who is effectively the Mayor for Buses.

In fact, this allows us to see what *does* work in London—because the buses work. The bus system is more modern, resources are more intelligently allocated, and it is clear who is responsible (the Mayor helps with his advertisements). The buses are an object lesson in what the rest of the GLA should be. They are closely controlled by the Mayor, as chair of TfL (although they could be more so, and more transparently so, if TfL were not theoretically an autonomous authority). They can be affected within the GLA's budget and time frames. They require co-operation which in turn requires mutual respect, and the balance of power between TfL and the bus companies engenders respect in a way the vague GLA oversight of the police does not. They are an advertisement for a slim, efficient government that can do what it must do, directly, and stand on firm ground with its partners. That gives us the clear sense of what we must do to have a GLA that works. The GLA, because of the structure of TfL, controls the buses, so it can modernise that public service; the GLA can find the funds for the small investments needed (because they are so small); the GLA can therefore integrate buses with its large plans; and the Mayor is so clearly identified with the buses that the electorate can

hold him to account for them.

That tells us that the GLA, with the exception of the bus system and some other parts of TfL, is the wrong kind of government with the right kind of competencies. The areas it works in—fire and police, planning, transport and infrastructure—are where it should be working and where boroughs cannot rival it. We are not calling for it to gain new powers, whether by peeling them off boroughs or by peeling them off the central government. We are calling for a reform of the Act that would allow it to exercise the powers for which it is already—and should be—responsible. Our policy proposals seek to develop a direct relationship between the elected, democratically accountable GLA and the resources it needs to deliver. Right now it cannot modernise public services because “GLA” competencies are in arms-length quangos and strategies are basically voluntary. It cannot improve infrastructure because it has nowhere near enough money. It cannot plan sensibly because it lacks the levers it would need to affect the city’s development. It cannot scrutinise and lead because it is too small, too strangely designed, and too interpenetrated with its quango boards.

Paring

Before addressing those design flaws, the first thing to do is pare down the Act. 429 sections and 38 schedules is too much legislation for the purpose and using the Act as a vehicle for micromanagement unnecessarily hampers the GLA. Appendix 1 lists the sections by category, suggesting which ones should be deleted or consolidated to improve the Act. In addition to

enumerated every single power available to the assemblies proposed then. It seems that the creators of the GLA did not want to learn the same lesson. One fear must be that a future Act to introduce regional assemblies would be similarly complex, delaying its passage through Parliament and strangling the new bodies at birth through over-complexity born of fear of political confrontation.

voters. Then, the GLA should have real power to vire funds between the four services and pay the electoral price if it makes a bad decision; modernising public services such as the fire service will be easier if done on a local level by policymakers who understand their city's needs and who have electoral incentives to make the public services effective.

Planning and Strategy

Probably the core idea of the GLA Act is that solving many problems involves multiple organisations; the idea of a “strategic government” writing strategies is the New Labour means to the old end of interservice integration. The problem with integration in any system is that it requires bringing together large complex organisations, and these organisations have their own goals, cultures, routines, and career paths that are difficult to change. The idea behind strategies is that the process of writing strategies and their incorporation into organisations' own planning will allow the identification of possible, easy, synergies in existing organisational activity while shaping new investment and possibly building cross-organisational networks. It is a small response to a big challenge, but so are all the other efforts around the world to integrate multiple organisations (whether it is jargon- and meeting-ridden joint working in English local government, or corporations destroying value and morale in mergers).

The problem, though, is that while strategies are as good or better than most forms of inter-service integration, when viewed as an idea, the GLA is ill-equipped to make them work. This is because, fundamentally, it lacks the flexible money it needs. Without meaningful dedicated resources or budgetary flexibility, the GLA can contribute nothing but a forum for others, a target for their lobbying, and a lobbyist itself. Its real resources, of high public profile and London-wide networks, are insufficient. If it can bring nothing to the table, it is only on the sufferance of others that it sits at the table; without being able to pay, it is impressive that it can play at all. Furthermore, it means the strategy will not be able to accomplish anything that involves new money unless the GLA can induce somebody else to raise that new money. Given that almost all the GLA's real partners, i.e. boroughs and quangos, depend on the central government, it makes as much sense for the GLA to just revert to lobbying the central government.

We suggest that the GLA be given a block grant for all of its functional services' running (non-capital) budgets and full viring powers between the services. This can then be subject to electoral discipline (Londoners can vote against the incumbents if they dislike the outcomes) and basic criteria agreed with the Whitehall departments.

This is the system proposed for the elected English regional assemblies, and the arguments for them to have it also hold for London. Other regional assemblies will have full freedom of virement between a variety of heads: they will also have precepting and borrowing powers. This will enable the new assemblies to innovate at the margins of policy: marginal improvements through the availability of 'soft money' can be disproportionately significant. Similarly, the GLA will be able to innovate and bring resources to its strategies.

Infrastructure

It is no secret that London's infrastructure, particularly its transport infrastructure, requires renewal. The experience of recent years suggests that managing Britain's big city infrastructure needs from Whitehall is inefficient and puts awful stress on the centre. Right now, the GLA has no capital budget, and can only lobby for the central government to give it capital projects. The central government is balancing many different objectives within its spending envelope, and as long as London infrastructure is on its books it will have to be balanced against UK-wide priorities ranging from pensions to international development and upgrades in other towns' infrastructure.

As a solution we propose to make the GLA's capital budget its own responsibility, funded internally by Londoners' taxes and able to raise money by issuing bonds linked to the revenue

senior local government backgrounds). The more difficult and unfamiliar task of scrutiny, in the Assembly, is diluted still further.

Improvements to the current scrutiny and accountability arrangements may have something to learn from executive mayoralities in local government, where the mayor must appoint a cabinet of 2-9 members from (and only from) elected councillors. This means that the eleven local authority elected mayors (five of whom are also independents) are obliged to maintain links with their councillors, and that those appointed to their cabinets can act as conduits for the opinions of all the elected representatives. If a number of Assembly members had to be appointed to an executive Cabinet of the GLA, the Assembly would become, at a stroke, a more useful body. There would be active links between Mayor and Assembly as both would need each other more. The political preferences of voters, as expressed through the Assembly, would not be repudiated because of the overweening power of the Mayor.

A Cabinet with, for instance, portfolios for economic development, transport or emergency services, would be far more clearly distinct from the rest of the Assembly (who would become conventional back-benchers) and hence less susceptible to conflicts of interest. The guidance to the Local Government Act 2000 indicates that the Government is well aware of the principle of conflicts of interest. For instance, the guidance suggests that councils using the 'fourth option' (where there is no separate cabinet and hence no formal executive/backbench split) should ensure that 5-10 councillors only take part in scrutiny, to create the distinction between decision-making and scrutiny. There seems no good reason to ignore those principles in the case of London.

A clearer political and constitutional link between executive and Assembly will also enable closer working between the two. At present there is no incentive for the Mayor to take the

In the future...

At some point in the future it would be possible to argue that the GLA needs greater transferred power from central government in order to strengthen its hand. For instance, the powers to be made available to elected regional assemblies under the White Paper, *Your Region, Your Choice*, include executive and budgetary power over housing funding and culture, sport, tourism and museums and regional library funding. A London-based agency dealing with sustainable development and environmental matters could also be created to take over from such bodies as the Environment Agency, Countryside Agency and English Nature, whose regional structures place Greater London uneasily within the South-East region. However, although there might well be merit in this—and the Mayor would certainly not refuse the offer—we do not think that another round of administrative musical chairs, transferring powers between layers of government, addresses the most pressing issues in London, nor does it provide the greatest opportunity for solutions to those issues. The answer lies in enabling the GLA to do what it is already tasked to do.

III. Conclusion

Perhaps the best way to analyse a system is to say what the voters can and should think about when deciding whether to re-elect an incumbent. In a general election, they can think about taxes and foreign policy. In a Scottish election they can think about health and education. In a London election, were an intelligent voter to decide what policies give a fair test of the Mayor, that voter would have to decide on the basis of the bus service. The bus system, currently, is the most important thing that is truly devolved to London. Other services are at a curious arms-length, whether because of a board not fully controlled by the Mayor, the GLA's financial dependence on the central government, or constricting contracts signed by the central state and inherited by the GLA.

This is unsatisfactory. If London is to have the government it needs, it means changes designed to make the GLA a government whose powers, responsibilities, and accountability match and fill the role: