



Another London is Possible

John McDonnell MP's 10-point plan for London

1. A new 'Fares Fair' policy for the 21st Century, cutting fares

This is based on the popular GLC campaign that slashed public transport fares for Londoners and hugely reduced traffic congestion in the Capital before it was ruled illegal in the courts.

Under London Mayor Ken Livingstone, the Oyster Card system has brought considerable advantages and even fare reductions, but I want to go further, working with London's Mayor. For example, a 25% discount on bus fares would cost around £217m¹.

The Government and GLA must also work together to ensure that the increasing costs of the disastrous London Underground privatisation are not passed on to the traveling public². Cutting out the private profiteers would finance fare reductions.

2. End privatisation of the London Underground, including the East London Line, restoring the tube to public ownership

As the London Mayor said, "Metronet is failing to deliver the quality and efficiency for which it is being very generously paid under the PPP". Even *The Times* admitted in November 2006 that, "the Mayor's dire predictions that the Tube's part-privatisation would prove ruinously expensive appear to be coming true".

Therefore, working with central Government, the control and ownership of the London Underground network must be fully restored to Transport for London.

I also support the campaign by the rail unions, supported by the TUC, to maintain the East London Line in the public sector, following its extension.

3. Windfall tax on City bonuses to pay London's contribution to the Olympics and ensure free access to Londoners

¹ See TfL's London Travel Report 2005

² A report in November 2006 by the Office of Rail Regulation showed that there had been a cost overrun of £750m – in January 2007 the ORR is due to give "initial guidance" on how the additional costs will be paid, between London Underground, the Government and Metronet (the PPP company).



According to the Department for Culture, Media & Sport, London's contribution to the Olympic Games will total £875m³.

This year, City bonuses are expected to be in the region of £8.8bn⁴, meaning that a 10% windfall tax (£880m) would more than cover London's contribution to the Games. Another such windfall in five years' time (on the eve of the Games) could fund a free access scheme for Londoners, with any surplus used to pay for improved leisure facilities across the Capital.

4. Restore control of business rates to local councils and abolish the Corporation of London, transferring its functions and resource base to the GLA

Local communities must be empowered to determine their own priorities through their councils. To achieve this, local authorities in London and across the country need to be free to set their own business rates on the basis of their local priorities⁵.

The Corporation of London remains an undemocratic anomaly at the heart of London, and should be abolished. Its resources and functions should be transferred to the GLA so that there is democratic control for all of London.

5. A real living wage of at least £7 per hour, plus a London weighting of 20%

I am arguing for an increase in the national minimum wage (NMW) to £7 per hour, with a London weighting supplement of 20% so that as in the public sector and enlightened parts of the private sector, there is recognition of the additional costs attached to living and working in London.

For example, police officers receive an annual London weighting of over £6,000, which equates to about 25% of their total salary. Under 'Agenda for Change' all NHS staff will receive a supplement of 20% of direct pay. A 20% London weighting to the NMW would mean a London living wage of £8.40 per hour.

³ According to figures from the Department for Culture, Media & Sport, Londoners will contribute £625m through local council tax, and the London Development Agency will pay £250m – a total of £875m.

⁴ According to the Centre for Economics and Business Research, the value of bonuses paid to London's financial elite will rise 18% this year to £8.8bn.

⁵ A recent article by Steve Freer in Public Finance magazine, chief executive of the Chartered Institute of Public Finance and Accountancy, showed that business rates accounted for 23% of local government spending, but this has fallen to just 17%. In the article, Freer states "if the Government is serious about its own White Paper it should . . . abolish capping, make bold reforms to council tax and introduce a local business rate."



6. Decentralised London energy system, based on alternative energy sources

The London Climate Change Agency⁶, uniting the GLA and engineer Allan Jones⁷, have made some excellent and ambitious proposals to make London to provide decentralised, more efficient energy supplies for London.

The current strategy commits London to reducing its carbon dioxide emissions by 20%, relative to the 1990 level, by 2010.

7. No further expansion at Heathrow and no third runway

Having represented the residents of Heathrow for the past 20 years, as both a GLC councillor and as an MP, I know the effects of noise and air pollution on London residents⁸.

The proposals for a third runway at Heathrow fly in the face of the Government's commitment to reduce emissions and tackle climate change.

8. Halt hospital cuts and NHS privatisations

The Government has made large and welcome investment in the NHS since 1997, but too much of this investment has been laundered out by PFI and other privatisation schemes.

Many London hospitals are now in massive debt⁹, and are cutting services, due to the costs of these private contracts – and it is time for central Government to step in to safeguard services to patients in London and across the country.

⁶ The London Climate Change Agency is a municipal company, for more information, see:

<http://www.lcca.co.uk/>

⁷ When Allan Jones worked for Woking Council; between 1991/92 and 2003/04, the town enjoyed a 48.6% saving in energy consumption. Carbon dioxide emissions were down 77.4%, while nitrogen oxide emissions fell by 76.6% and sulphur dioxide levels were reduced by 90.9%. Water consumption was cut by 43.8%, and the council saved more than £5.4m on water bills over the period - a reduction of 31.3%.

⁸ A report in October 2006 by the Environmental Change Institute at Oxford University stated that “the UK will be unable to meet its targets for reducing climate change impacts without action to curb the demand for air travel.”

⁹ A BBC website investigation in January 2006 showed that London hospitals were over £240m in debt, with many cutting staff and closing units.



9. Emergency house-building programme, and allow 4th option, to tackle London's housing crisis

London faces a massive housing crisis. In February 2006, there were 62,773 households placed in temporary accommodation by London boroughs¹⁰, which represents a massive increase since 1997.

This crisis requires us to take urgent action, with an emergency house-building programme to build the affordable housing that London needs.

Councils must also be given the freedom to build council housing and to directly invest in their own housing stocks. The last London Labour Party conference voted to allow the 'fourth option' of direct investment in council housing. It's about time that Central Government listened to the needs of Londoners.

10. Support free and comprehensive education and an end to Trusts, City Academies and tuition fees

The Government's obsession with marketisation of the education system has allowed an array of dubious businesspeople to buy and control schools. What every Londoner wants is for their local school to be well-funded, locally controlled and open to every local resident.

UCAS data this year shows a decline in the number of applications to university from working class students¹¹. Tuition fees and top-up fees are proving a barrier to education and under a McDonnell Government they would be scrapped to allow all London students an education without a lifetime of debt¹².

¹⁰ See GLA 'Homelessness in London 73' – published in February 2006

¹¹ Final UCAS figures show that 15,000 fewer students started university courses this year than in 2005, when fees of £3,000 a year came into force.

¹² A report by Barclays Bank in 2005 showed that student debt had risen to an average of £13,501 upon graduation.