

# London Local Elections 2018 – Time to Raise the Red Flag?



On May 3rd Londoners in the capital's 32 boroughs\* will have the chance to decide who runs their local services for the next four years. Labour is widely expected to make significant gains and tighten its political hold on the city.

This has big implications for development and housing delivery in the capital. Many of the incoming, first-time Labour councillors are likely to be from the far left of the party and view the private sector with hostility.

Given that it is private developers that build the bulk of London's new homes, if these political purists want to deliver more than hot air for their constituents they may soon find themselves on a collision course with reality.



## The Politics of London Government

Labour running London is not a new phenomenon. Since the 1960s Labour politicians have dominated the inner London boroughs with the exception of Westminster and Kensington & Chelsea. The richer, outer suburban boroughs like Bromley, Kingston and Richmond have traditionally voted Tory. This is known as the “Donut” effect. The arrival of the Liberal Democrats in the 1980s shook up the model when they won in places like Southwark, Richmond and Sutton but the general principle still applies.

Indeed the last time the Conservatives controlled a majority of London councils was after the 2006 local elections when they won control of 14 boroughs. Labour held 8, 7 were hung councils where no one group had a majority and the Lib Dem's controlled 3. Those results were an aberration, partly fuelled by lingering anger at the Labour Government's participation in the Iraq war.

The London Mayoralty, introduced in 2000, was dominated by personality for its first 16 years. Ken Livingstone was elected initially as an independent, though he soon rejoined Labour and was re-elected as their candidate. He was followed by Conservative Boris Johnson who like Ken before him was a perceived “character”, easily identifiable by his first name alone.

This habit of electing colourful mayors with crossover political appeal changed in 2016 with the election of Sadiq Khan, a much more traditional party candidate and a symbol of the reddening of London.

Boris's two narrow wins somewhat disguised the fact that Labour had been gradually extending its traditional grip out from central London, in part because rising property prices have driven significant numbers of Londoners ever further afield until many have left the city altogether. According to Savills, in July 2017 the net departure rate of people from London hit its highest level for 5 years – 93,000. Most of those leaving the city are in their 30s.

There is some truth in the generalisation that this exodus of aspiring homeowners leaves a city increasingly dominated by small numbers of the very rich and larger numbers of the (often) socially housed, Labour voting, poor.

## Outside London

Elections are also taking place on May 3rd in metropolitan authorities like Birmingham and Manchester, unitary authorities like Portsmouth and many district councils in places like Cumbria. Here the picture is different and Labour may well struggle to replicate its likely London success. Beyond the capital Jeremy Corbyn may be the Tory's biggest electoral asset.

In national polls taken since the 2017 General Election Labour has consistently matched or headed the Conservatives, albeit by a small margin - the latest Survation poll puts Labour ahead by 6.9%, while YouGov/Times has the Labour lead at 2%. But when voters were asked who they'd prefer to see as PM, among those who have a preference (35% “don't know”), Theresa May led Jeremy Corbyn by 7%. That margin has remained fairly consistent in YouGov polls all year.

## Tory Troubles

In Barnet internal de-selection wrangles have resulted in the Conservatives losing overall control of the borough. With weeks to go until the local elections, the Tories have 31 councillors, Labour 30, the Liberal Democrats one and there is one Independent.

Westminster is now widely considered a marginal borough. Deputy Leader Cllr Robert Davis has “stood aside” from his leadership roles following questions raised in the Guardian about his receiving gifts and hospitality. It is understood that several Tory councillors will not seek re-election.

Meanwhile in Richmond, where the Lib Dems are mounting a strong challenge, a Tory councillor has been forced to stand down following a doorstep row with a resident. <sup>2</sup>

## The Current State of Play <sup>1</sup>

Last local elections - 2014:

- Labour controls 20 boroughs 4 of which have directly elected mayors – Hackney, Lewisham, Newham and Tower Hamlets.
- Conservatives nine.
- Liberal Democrats one.
- In Havering no group has overall control.

### London MPs - Last General Election June 2017

Labour: 45

Conservative: 26

Liberal Democrats: 2



## Latest London Polling

Voting intention:

- 54% of Londoners support Labour
- 28% support Conservatives
- 11% Lib Dems
- This level of support would deliver Conservative held councils such as Westminster and Wandsworth.

Issues that most determine how people will vote:

- 33% Housing
- 29% Local Services
- 28% Health

YouGov Plc 12-15 Feb 2018, survey undertaken for Mile End Institute St Mary University of London



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### Haringey: Civil War Labour Style

Past Labour councils were enthusiastic housebuilders. Indeed, at their 1960s peak local authorities across the political spectrum were building circa 400,000 council homes per annum, funded from the public purse. More recently the delivery of new homes has depended largely on the private sector: public / private JVs and planning requirements for affordable housing. In areas with high land values schemes have often been dogged by rows about gentrification, affordability and viability assessments.

In Haringey, under the leadership of Clare Kober and through the public / private Haringey Development Vehicle (HDV), 6,400 new homes and a range of jobs and community benefits were planned.

With local elections looming and buoyed by the success of Jeremy Corbyn nationally, left-wing Labour activists in Haringey successfully weaponised the issues of housing tenure and private development in the HDV. They mounted a Judicial Review, deselected most of the sitting Haringey Labour councillors in favour of more radical candidates, effectively forcing the retirement of the Council Leader and – despite losing their court action – have put the entire regeneration scheme in jeopardy.

### Momentum – the new Cuckoo in the Labour Nest

For those old enough to remember, the resurgence of the old left-wing Labour Party - Maoist Little Red Book and all - has eerie echoes of Militant Tendency's calamitous takeover of Liverpool in the 1980s.

Momentum was set up as a grassroots members' movement to help Jeremy Corbyn in his bid to become Party Leader. It has proved itself adept at campaigning - it now has 38,000 members all of whom are meant to also be Labour party members – and has quickly become a powerful force within the wider party.

In a number of London boroughs Momentum has fought ruthless selection campaigns to replace sitting Labour councillors with its own ideologically pure candidates. Local grandees have not been immune to the purge. In solidly Labour Newham long-serving mayor Sir Robin Wales was turfed out and replaced as the party's candidate by Cllr Rokhsana Fiaz who has promised to bring back "radical politics" to the borough. In Haringey open warfare has raged for months between Clare Kober's Labour Council and local Labour activists over candidate selection and the Council's regeneration JV with Lendlease.

While Momentum receives a lot of media attention, it is only the newest among several hard-left factions which have risen to prominence since the demise of the New Labour project. These groups are currently united in their support of Jeremy Corbyn but beyond that they agree on very little. Indeed, the Unite union recently muscled Momentum's founder out of the way so that its preferred pick could become General Secretary of the Labour party.

The key fact is this: Just two years after Corbyn's unlikely victory, moderates have been purged from every position of power in the Labour party. This is most evident in the parliamentary party where Labour's front bench is now filled with Corbyn loyalists, very few of whom the public has ever heard of.

### Why is Labour so Perennially Popular in London?

- London has a young population – the median age is 34 in London as opposed to 40 in England.
- London has an ethnically diverse & transient population – this tends to favour Labour.
- After taking housing costs into account, the average income in London is below the national average.
- "London has a higher rate of population 'churn' than other areas due to its higher levels of outward and inward migration, and more transient population." <sup>3</sup>

### Southwark Boundary Changes

In Southwark Labour are expected to strengthen their hold on a borough where they have all 3 of the parliamentary seats as well as 48 of the 63 councillors. The Liberal Democrats are under pressure in all their (13) held seats. The Conservatives are more secure in Dulwich Village where they should hang onto their pair of councillors.

Boundary changes intended to broadly equalise the numbers of constituents per ward come into effect at these elections. While Southwark will still have 63 councillors, the number of electoral wards will rise to 23, an increase of two.

These changes have political implications in the development heavy north of the borough. Cathedrals ward which covers Bankside, much of Borough and a slither of the Elephant & Castle and which has been safe Lib Dem territory for decades, is being split into two wards both of which are being targeted by Labour: St Georges ward and Borough and Bankside ward. Of the pair, two member St Georges ward is perceived to be particularly vulnerable to a Labour assault.

\* The City of London Corporation which governs the Square Mile, has somewhat different powers and works to a different electoral timetable.

\*1 Map & past election data from London Councils

\*2 6<sup>th</sup> March 2018 Richmond & Twickenham Times

\*3 Office of National Statistics

