



Boris Johnson in Hyderabad on his India tour last year PA

Gerard Lyons



In a coup for City Hall, Mr Johnson recruited the chief economist at Standard Chartered as his chief economic adviser, adding heft to his campaign to boost the financial services industry and protect the London's global economic competitiveness

Kit Malthouse



A finance director and former Westminster councillor, he has been moved from the police deputy beat to take up a new role as deputy mayor for business and enterprise, highlighting Mr Johnson's second-term emphasis on economic growth and jobs

Sir Edward Lister



The mayor's chief of staff and deputy mayor for planning and policy, he plays a critical role in the City Hall operation. A financial disciplinarian who led Wandsworth council from 1992-2011, he has cut costs heavily at the Greater London Authority

Stephen Greenhalgh



Mr Johnson's crime and policing deputy spearheaded finance reform as leader of Hammersmith and Fulham council. After a wobbly start under assembly questioning and allegations of harassment at City Hall, he has launched a shake-up of the Metropolitan police force

Mayor's aide for growth bolsters defences

London Economic adviser's appointment fuels speculation on Boris Johnson's ambitions, writes James Pickford

Boris Johnson's new chief economic adviser used his first official appearance to signal a new focus at City Hall on bolstering the capital's defences against global rivals.

Gerard Lyons, a veteran City figure and former chief economist at Standard Chartered Bank, told the economy committee of the London Assembly that he brought "experience, a track record and knowledge of the global economy" to his role in advising the London mayor.

His appointment by Mr Johnson, who is due to speak at the Davos World Economic Forum on Friday, has prompted renewed speculation on the mayor's national ambitions.

Tony Travers, a London governance expert at the London School of Economics and Politics, said: "The

appointment of Gerard Lyons was a powerful signal that Boris may be mayor of London but he isn't only thinking about London."

With a brief to help maintain the capital's competitive position, particularly in financial services, Mr Lyons is the most prominent hire in a reshaping of the mayoral team intended to boost London's growth prospects.

He joins a group of lieutenants providing support to a mayor whose policy-making style has been likened by some to that of a "non-executive chairman".

Among them is Kit Malthouse, an experienced finance director and former Westminster councillor, who has moved into the new post of deputy mayor for business and enterprise.

Stephen Greenhalgh, the reform-minded former leader of Hammersmith and Fulham council, has come in as policing deputy.

Experienced figures kept in position include Sir Edward Lister, chief of staff and former longstanding leader of Wandsworth council, and Isabel Dedring, who continues in the transport brief after a successful London Olympics.

The games, a personal triumph for Mr Johnson, saw him end the year with polls confirming his status as Britain's most popular politician. But more testing times lie ahead as he tries to make good on his second-term pledges against a tough economic backdrop.

Mr Travers said: "Boris Johnson is mayor at a time when the amount of money available is falling. Delivering is going to be harder."

London remains the UK's economic powerhouse but its surging population - predicted to rise from 8.2m to 9m by 2020, the equivalent of a new borough added

every three years - will crank up the pressure on already overstretched public services.

Public spending cuts are biting hard. This month saw proposed reductions in police, fire and hospital services. London councils predict the city will be short of 90,000 school places by 2015 and that adult care services will need an extra £907m in funding by 2018.

The pressure is set to grow.

Mr Lyons said yesterday: "The next few years will be quite challenging because that's when most of the cuts to public spending

come in." Mr Johnson will by April publish a blueprint - labelled his "2020 Vision" - which sets out the policies he believes need to be under way by 2020 if London is to remain globally competitive. But it joins a sheaf of shorter-term electoral commitments that the capital's rising population is putting to the test.

In housing, he has set a target of 55,000 new affordable homes to be started by 2015, on top of the 52,000 target he achieved in his first term.

Data for the six months to September showed construction began on just 425

affordable homes, well short of the pace needed to meet the goal.

Mr Johnson can register successes in transport, which received a boost to investment ahead of the Olympics, while funding for Crossrail and a Tube upgrade has been saved from the Treasury axe. But alongside sharp rises in fares for London's commuters, the costs of projects such as the Barclays Bike hire scheme and the Emirates Air Line cable car have been higher than expected.

The city's appeal as a destination for foreign investment, articulated by Mr Johnson on a trip to India in December, will be reinforced with mayoral visits to the Gulf in April and China later in the year. Brazil is scheduled for 2014.

Mr Johnson believes another Olympian effort is needed to protect London's future.

"When you look at the scale of the demographic challenge, the reality of global competition and the shortage of cash," he said last week, "you can see that it is necessary now to build a similar consensus about the radical improvements this city needs."

Challenges facing the capital

Housing: London's chronic shortage of affordable housing has been exacerbated by population growth and rising prices. But City Hall is confident of meeting its targets for 2016, with contracts in place for 52,000 affordable homes.

The City: The Square Mile is worried about competition from Asia, the threat from plans for a European banking union and the

uncertainty caused by David Cameron's plans on EU relations. Boris Johnson proposes paring back the UK relationship to that of the single market but the policy has few fans in the City.

London powers: Mr Johnson wants more control over the tax revenues generated in the capital, including stamp duty land tax. The independent

London Finance Commission, due to report this year, is looking into options for a "fairer funding deal".

Crime: The mayor's pledge to maintain front-line police levels at about 32,000, in the face of cuts elsewhere, has prompted plans to sell off police property, including the Met's Scotland Yard, and extra cuts to civilian, IT and back-office staff.