

Leaders' Committee

22 March 2016 – 11:30 am

At London Councils offices, 59½ Southwark St., London SE1 0AL

Refreshments will be provided

London Councils offices are wheelchair accessible

Labour Group: Rooms 2 and 3 10:00

Political Adviser: 07977 401955)

Conservative Group: Room 5 10:30

(Political Adviser: 07903 492195)

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Lunch will be provided in Room 4 for members after the meeting

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- Executive – 19 January
- Pensions CIV Sectoral Committee - 10 February
- TEC Executive - 11 February
- CAB – 18 February
- YPES – 25 February
- Executive – 1 March

***Declarations of Interests**

If you are present at a meeting of London Councils' or any of its associated joint committees or their sub-committees and you have a disclosable pecuniary interest* relating to any business that is or will be considered at the meeting you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your disclosable pecuniary interest during the meeting, participate further in any discussion of the business, or
- participate in any vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

It is a matter for each member to decide whether they should leave the room while an item that they have an interest in is being discussed. In arriving at a decision as to whether to leave the room they may wish to have regard to their home authority's code of conduct and/or the Seven (Nolan) Principles of Public Life.

*as defined by the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012

The Chairman to move the removal of the press and public since the following items are exempt from the Access to Information Regulations. Local Government Act 1972 Schedule 12(a) (as amended) Section 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

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London Councils

Minutes of the London Councils Leaders' Committee held on 9 February 2016
Mayor Jules Pipe chaired the meeting

Present:

BARKING AND DAGENHAM
BARNET
BEXLEY
BRENT
BROMLEY
CAMDEN
CROYDON
EALING
ENFIELD
GREENWICH
HACKNEY
HAMMERSMITH & FULHAM
HARINGEY
HARROW
HAVERING
HILLINGDON
HOUNSLOW
ISLINGTON
KENSINGTON & CHELSEA
KINGSTON
LAMBETH
LEWISHAM
MERTON
NEWHAM
REDBRIDGE
RICHMOND UPON THAMES
SOUTHWARK
SUTTON
TOWER HAMLETS
WALTHAM FOREST
WANDSWORTH
WESTMINSTER
CITY OF LONDON
LFEP

Cllr Darren Rodwell
Cllr Richard Cornelius
Cllr Teresa O'Neill OBE
Cllr M. A. Butt
-
Cllr Sarah Hayward
Cllr Tony Newman
Cllr Julian Bell
Cllr Doug Taylor
Cllr John Fahy
Mayor Jules Pipe
-
Cllr Claire Kober
Cllr David Perry
Cllr Roger Ramsey
Cllr Philip Corthorne
Cllr Steve Curran
Cllr Richard Watts
Cllr Nick Paget-Brown
Cllr Kevin Davis
Cllr Lib Peck
Mayor Sir Steve Bullock
Cllr Stephen Alambritis
-
Cllr Jas Atwal
Cllr Lord True
Cllr Peter John OBE
Cllr Simon Wales
Mayor John Biggs
Cllr Clyde Loakes
Cllr Jonathan Cook
Cllr Philippa Roe
Mr Mark Boleat
-

Apologies:

BROMLEY
GREENWICH
HILLINGDON
NEWHAM

SUTTON
WALTHAM FOREST
WANDSWORTH

Cllr Stephen Carr
Cllr Denise Hyland
Cllr Ray Puddifoot MBE
Mayor Sir Robin Wales
Cllr Ken Clark
Cllr Ruth Dombey
Cllr Chris Robbins
Cllr Ravi Govindia

Ex officio (under the provisions of Standing Order 2.5)

Officers of London Councils and the following were in attendance:

- Lord Kerslake (London CIV's non-executive Chair)
- Mr Hugh Grover, Chief Executive, London LGPS CIV Ltd
- Mr Mike Cooke, Chief Executive of Camden Council and Chair of the London Safeguarding Children Board
- Mr Barry Quirk CBE, Chief Executive of Lewisham council and Chair of the London Elections Management Board

Before the meeting started the Chair invited the meeting to congratulate Cllr Peter John who had been awarded the Order of the British Empire (OBE) in the New Year Honours

1. Apologies for absence and announcement of deputies

The deputies listed above were noted.

2. Declarations of interest

No interests were declared.

3. Pensions CIV Update

The Chair welcomed and introduced Lord Kerslake (London CIV's non-executive Chair) who addressed the meeting as follows:

- Leaders' Committee last received a report on progress towards establishing the London CIV in July 2015 when it set out a number of ambitions for the subsequent six months, these have all been achieved and officers deserved praise for this achievement
- In October the new board of London LGPS CIV Ltd. took over from the interim board which had comprised the party group leaders and some officers and they were also deserving of thanks for their efforts

- In November the Government announced that the 89 Local Government Pension Scheme Funds in England and Wales would be required to pool assets into something like six wealth funds
- London CIV was the first such pool to be established and it launched its first Sub-Fund in December 2015 some £500 million of assets under management.

Cllr Teresa O'Neill OBE on behalf of Leaders' Committee, thanked Hugh Grover for what he had achieved so far to get this work off the ground.

Cllr Philippa Roe (Conservative, City of Westminster, Devolution and Public Services Reform) asked which funds were being benchmarked against. In response Lord Kerslake pointed out that both the private and public sectors were being looked to and a robust performance management regime was being put in place. The Chief Executive, London LGPS CIV Ltd replied that they were working with the Investment Advisory Committee looking to bring in new managers with a wider range of skills and expertise. Cllr Roe asked for reports of this work to come back to Leaders' Committee particularly on performance management.

The Chair commented:

- Huge savings had already been made, even for the borough that had not become involved because fund managers had reflected the influence of the CIV in pricing
- One issue was whether London's CIV should remain as just one of the five or six funds across the country or whether this ignored the potential scale and scope of London's vehicle

Lord Kerslake replied that the Chair's question about scale and scope had been debated and, indeed, there was still some uncertainty with groupings elsewhere in the country and some large authorities, especially in the south-east, had yet to choose a vehicle but at present the priority was to accelerate the process of building up the fund in London. He would, nonetheless be open to a conversation about other authorities joining the London vehicle.

Leaders' Committee agreed to note the report.

4. Tackling child sexual exploitation in London

Cllr Peter John OBE (Labour, Southwark, Children and Young People) introduced the report:

- Child sexual exploitation was now recognised as a widespread problem across the UK.
- The multi-agency partnerships that work to keep children and young people safe were co-ordinated and evaluated by local safeguarding children's boards (SCBs)
- The London safeguarding children board was in addition to the statutory local boards – it was a voluntary, regional partnership which sought to add value by considering issues on a Pan-London basis.
- He introduced Mr Mike Cooke, Chief Executive of Camden Council, and chair of the London SCB

Mr Mike Cooke reported:

- At a national level, CSE had been designated a 'national threat'
- In London, the police report approximately 2000 young people at risk of, or experiencing CSE.
- Operation Makesafe was an important initiative - it aimed to raise awareness across businesses such as hotels and taxi firms and increase reporting.
- In relation to Ofsted, it was important to note that the new Joint Targeted Area Inspections will have a Deep Dive Inspection of CSE and Ofsted makes it clear that it would be assessing the role of elected members in providing effective scrutiny and challenge.
- There was some overlap with CSE and the young people who go missing or truant from school
- Authorities must be able to demonstrate three things:
 - That they understand the scale and nature of the problem, that they take it seriously and that there is a clear local profile for CSE
 - That they have a strategic plan to address the issues sponsored and led by the board
 - There is close and robust monitoring of the strategy

- CSE was currently one of the MOPAC identified priority crimes.

Members then asked questions and made comments:

- Cllr Stephen Alambritis (Labour, Merton) asked whether a breakdown was available of victims and perpetrators on the basis of ethnicity and age
- Cllr Nick Paget-Brown (Conservative, Royal Borough of Kensington and Chelsea) asked how many of those missing from school represented abductions?
- Mayor John Biggs (Labour, Tower Hamlets) pointed out the difficulties of getting information from complimentary schools where there was no statutory right to inspect registers
- Cllr Steve Curran (Labour, Hounslow) mentioned gangs that operate across borough borders moving people around particularly girls and young women
- Cllr Kevin Davis (Conservative, Royal Borough of Kingston) said this was a vital issue for elected members to show leadership on – the fact that a predecessor of his had served a prison sentence for the possession and distribution of indecent images of children and showed how that role could be challenged and damaged profoundly. Ward councillors can play a vitally important role in spotting suspicious signs of CSE in their communities but there needs to be a system for tapping into this knowledge and expertise.

Mr Cooke responded:

- One of the priorities of the board was to improve data especially as there was a concern that police data may involve under-reporting
- One of the key questions OFSTED inspectors ask concerns children missing from care
- Leaders were encouraged to meet regularly with chairs of safeguarding boards
- He was not aware of any patterns around abduction
- He accepted the point about complimentary schools, where the Government had concentrated its attention on violent extremism while leaving local authorities with limited powers over them. As well as complimentary or independent schools, home schooling was a third element to be considered.

Leaders' Committee agreed to:

- Note the report
- Press for the importance of strong borough commands supported by specialist central resources for the provision of effective, co-ordinated policing support to both children and vulnerable adults
- Press for Mayoral candidates to make disrupting and prosecuting child sexual exploitation a priority for the Metropolitan Police Service – this reflecting the fact that CSE is now designated a 'national threat'.

5. Elections Management and the Review of Election Fees for 2016/17

The Chair welcomed Mr Barry Quirk, chief executive of the L. B. Lewisham and chair of the London Elections Management Board who introduced the report as follows:

- The London Elections Management Board, which he chaired, had been in existence for 18 months and followed the model of such a board established in Scotland. This model was being followed elsewhere with Elections Management Board (EMBs) being established across the English regions
- Its purpose was to make the management of elections, including fee arrangements, more effective and transparent
- The responsible minister, John Penrose MP (Minister for Constitutional Reform) calls meetings with EMBs every two months
- Questions had been raised by members about the appointment of local authority chief executives or senior managers to the remunerated position of a returning officer (RO); he had sought to address those questions in his report.
- A major challenge was to ensure consistency while elections remain locally managed
- Most boroughs employ four or five staff to manage their electoral function. That figure could rise to as many as 700 during an election and potentially more on polling day
- Maintaining an accurate register in a city like London with such a degree of churn, particularly in the private rented sector was a real challenge
- The Government was trialling projects to try to improve the quality of the register

- In London, in 2016, there would not only be the GLA elections in May but potentially a referendum on membership of the European Union possibly in June

Cllr Richard Cornelius (Conservative, Barnet) thanked Mr Quirk for the explanation but pointed out that to the public:

- It is difficult to understand why a chief executive is paid to perform the function of an RO that they, the public, assume is part of their general responsibilities as chief executive
- The fee seemed a considerable sum to pay them

Mr Quirk replied by saying that the appointment was a product of the system that parliament persisted with. The function ROs perform may begin several months before polling day and in all these matters it is a personal liability on the part of the RO, one in which their authority cannot act on their behalf in the case of any dispute. One RO was recently personally cited in an election petition in the courts.

Leaders' Committee agreed to note and approve the proposed scale of fees and expenses, attached as an appendix to the report, as guidance for the London boroughs, with effect from 1 April 2016.

6. Minutes of Leaders' Committee meeting held on 8 December 2015

Leaders' Committee agreed the minutes of the Leaders' Committee meeting held on 8 December 2015.

7. TEC Policy Update

Cllr Julian Bell (Labour, Ealing, TEC) introduced the item:

- The paper highlighted some of the activities that the Transport and Environment Committee (TEC) had undertaken over the past year, in particular on air quality, electric vehicles, road safety and rail devolution.
- There were a significant number of deaths associated with poor air quality in London.
- Proceedings over the infraction of the European Directive had started against the UK. These proceedings take a long time but could result in significant fines, £300 million per year was a figure that has frequently been quoted.

- The Government had published its National Air Quality Plan, as it was required to do, at the end of last year. This included very few actions from central government to improve air quality and conceded that limits would not be met in London until 2025 (all other areas by 2020). TEC responded strongly to the consultation and asked government to look to assessing how compliance could be achieved in London by 2020 and assessing what could be done to improve air quality through national policy, regulatory and financial instruments.
- Linked to the agenda of air quality, London, through a joint bid with TfL and the GLA, had been successful in obtaining grant funding from OLEV for the introduction of infrastructure to support electric vehicle take up in London.
- On rail devolution, TfL and DfT had recently published a prospectus, which talked about TfL's ambitions to take over some of the suburban rail lines in London. TEC had generally been very supportive of this, given TfL's strong track record on the Overground ('the orange line') but were not able to fully support the proposals, given the uncertainty over who would pick up the increased Freedom Pass costs. These negotiations had taken a more positive turn and there was more optimism that a satisfactory agreement could be reached soon.
- The prospectus also highlighted the need for increased engagement at local authority level in the franchise negotiations, which was an area we have lobbied on over the past year.

Members responded:

- Cllr Lord True (Conservative, Richmond):
 - The OLEV boundary was on the South Circular Rd but boroughs on either side would be affected
 - If expansion at Heathrow went ahead the effect on air quality could be significant but the issue of Heathrow expansion was hardly mentioned in the report
- Cllr Richard Watts (Labour, Islington) highlighted the discrepancy between the performance of diesel engines in test conditions and in the urban environment. This was an issue that TEC should pursue

- Cllr Steve Curran (Labour, Hounslow) pointed to the fact that 40% of the pollution on Chiswick High Rd and Gunnersbury Ave was caused by buses and urged TfL to get the right buses travelling in the right areas to reduce air pollution.

Cllr Bell responded by saying that:

- The points about boroughs dissected by the north and south circulars and on Heathrow were supported. The reason for the lack of coverage of them in the report was simply to highlight other issues. He reassured members that both issues were firmly on the agenda at TEC
- The failure of diesel testing was regularly looked at by TEC and he agreed that it was disappointing that Government had not addressed the issue.

Leaders' Committee agreed to note the report.

8. Devolution and Public Service Reform – Update

The Chair introduced the item:

- This item provided an update on three important elements within our negotiations with Government on devolution to London:
 - Employment
 - Skills
 - Health (including the London health pilots)
- In all three cases, there had been noticeable progress since the CSR at the end of November last year
- Tangible opportunities were now becoming available for boroughs and groups of boroughs to realise some of the ambitions set out in the London Proposition
- However, it also meant that we were moving to a new phase of activity, with effort ramping up within boroughs and borough groupings, to ensure that these opportunities can be realised.
- This included work within boroughs and borough groupings to:
 - embed governance arrangements and
 - ensure that capacity was in place to ensure effective commissioning, contract management and oversight
- Five health pilots had been agreed. The agreement with Government expects action by both pilot areas to develop plans and non-pilot boroughs to be ready to take advantage of this work

- Significant work was also required at London level in collaboration with both the NHS and the GLA to ensure that the interests of boroughs and local health systems were not squeezed by national interests.
- We were now entering an intensive phase of joint work with DWP to design the Work and Health programme by April, and to develop the commissioning strategy by summer 2016.
- Skills devolution negotiations with Government were expected to be complete in the next few months. Boroughs and sub-regional groups would want to be ready to shape priorities for adult skills funding and what providers should deliver
- A lot more would be heard at a local and sub-regional level over the coming months about the opportunities that were available in health, skills and employment - and the greater focus of resources that this would require
- Boroughs should continue to come together through London Councils to ensure the borough perspective was properly reflected in London's negotiations with Government.

Cllr Peter John OBE (Labour, Southwark, Children and Young People) reported on the process of engagement around Skills Area Based Reviews. He indicated that Central London Forward leaders would be happy to share some of the experience on this more widely. He also pointed out that with many DWP Job Centre leases coming to an end in 2017, there was the potential for not only for co-location of Job Centre Plus offices in council buildings but for greater collaboration and service co-operation with them.

Cllr Clyde Loakes (Labour, Waltham Forest) said that information on this for boroughs would be helpful, not least to avoid challenges around the implications in respect of Permitted Development Rights.

Leaders' Committee agreed to:

- Note the progress that had been achieved following submission of the London Proposition on devolution and public service reform, particularly in respect of opportunities that were now available to boroughs in relation to:
 - Employment
 - Skills
 - Health
- Note the work which was progressing within boroughs and borough groupings, to ensure that these opportunities could be realised. This included work within boroughs and borough groupings to embed governance arrangements and

ensure that capacity was in place to ensure that effective commissioning, contract management and oversight was in place.

9. Crime and Policing Update

Cllr Lib Peck (Labour, Lambeth, Crime and Public Protection) introduced the item:

- This strand of work started with the 'Safer Together' report that the MPS commissioned from the RSA last year and had been closely followed by the London Councils' nominees on the London Crime Reduction Board (CRB), herself, Mayor Jules Pipe and Cllr Richard Watts
- Many leaders attended the Safer Together Summit in December at New Scotland Yard where the safety of London and Londoners emerged as a strong theme.

Cllr Nick Paget-Brown (Conservative, RB Kensington and Chelsea) expressed his concern over the proposed community safety index from the RSA report which, he thought risked being out-of-date by the time it was collected.

Cllr Simon Wales (Sutton, Liberal Democrat) advocated the use of restorative justice.

Cllr Peck responded by acknowledging the point about statistics rapidly becoming out of date and questioned the value of the sort of league tables they generated. She also thanked Cllr Wales for his point about restorative justice which, she said, had not been discussed by the London CRB despite many groups existing in boroughs and undertook to try to get it considered at LCRB. She reported on work that London Councils' officers, borough chief executives and MPs offices were doing to explore the sort of principles that should underpin future borough policing. She indicated that this would need to come back to Leaders relatively soon for political consideration.

Leaders' Committee agreed to note the report.

10. Minutes and Summaries

Leader's Committee agreed to note the draft minutes and summaries:

- GLPC – 22nd October 2015
- Pensions – 4th November, 2015
- Grants Committee – 18th November, 2015

- TEC Exec – 24 November, 2015
- Capital Ambition – 8 December, 2015
- TEC – 10 December, 2015

The meeting resolved to exclude the press and public.

The meeting ended at 12:45.

Action Points

Item		Action	Progress
4.	Pensions CIV Update <ul style="list-style-type: none"> • Reports of the performance management work of the CIV to come back to Leaders' Committee. 	CIV	Noted, a further report will be submitted to a future meeting of the Committee.
5.	Tackling child sexual exploitation in London <ul style="list-style-type: none"> • Press for the importance of strong borough commands supported by specialist central resources to the provision of effective, co-ordinated support to both children and vulnerable adults in the review of police services in London being led by the Commissioner of the Metropolitan Police Service • Press for Mayoral Candidates to make disrupting and prosecuting child sexual exploitation a priority for the Metropolitan Police Service – this reflecting the fact that CSE is now designated a 'national threat'. 	PAPA Safe-guarding Children	In hand
7.	TEC Policy Update <ul style="list-style-type: none"> • TEC to pursue the issue of the discrepancy between the performance of diesel engines in test conditions and in the urban environment 	T&E	In hand
8.	Devolution and Public Service Reform – Update <ul style="list-style-type: none"> • Central London Forward leaders to share experience of the process of engagement around Skills Area Based Reviews 	PAPA ECT	In hand

	<ul style="list-style-type: none"> Advise boroughs on the potential co-location of Job Centre Plus offices in council buildings 		
9.	<p>Crime and Policing Update</p> <ul style="list-style-type: none"> Cllr Peck to seek to get restorative justice discussed by the LCRB A report to come to Leaders' Committee, relatively soon, to explore the sort of principles that should underpin future borough policing 	PAPA C&PP	In hand

London Councils' Leaders' Committee

Review of London Councils' Grants Programme

Item no: 4

Report by:	Simon Courage Katy Makepeace-Gray	Job title:	Head of Grants and Community Services Principal Programme Manager
Date:	22 March 2016		
Contact Officer:	Simon Courage		
Telephone:	0207 934 9901	Email:	simon.courage@londoncouncils.gov.uk

Summary

The current grants programme delivered jointly by the London local authorities under the London Grants Scheme is due to conclude in March 2017.

London Councils Grants Committee resolved at their Annual General Meeting in July 2015 to undertake a review to inform future decisions by Grants and Leaders' Committee as to the continued delivery of a pan-London grants programme under the Grants Scheme at the conclusion of the current programme.

That Review has been undertaken and has involved consideration, analysis and evaluation of a number of sources of information and factors relevant to the decision. In particular the Review sought and analysed the views of stakeholders provided through established sector arrangements and a formal consultation undertaken between July and October 2015. It evaluated evidence relating to the operation and impact of the current grants programme. Specific consideration was given to the equalities impacts arising from the operation of the current programme and those which may arise in delivering a future programme including one which may differ in scope. Regard was also had to the pressures on local authority budgets arising from significant cuts to local government funding in recent years and the additional adverse impact of HM Government's Comprehensive Spending Review announced on 25 November 2015 – subsequently confirmed by the final Local Government Financial Settlement announced on 8 February 2016 – which will reduce local authority funding further.

The evaluation and analysis by officers was considered by Grants Committee on 18 November 2015 and Leaders' Committee on 8 December 2015, which agreed a new grants programme should be delivered from April 2017 (retaining the Principles underpinning the current programme) and that it was minded, subject to further consultation, to endorse future priorities around combatting sexual and domestic violence and on poverty through worklessness, on tackling homelessness (subject to certain provisos); but not to support a priority around capacity building for the third sector. Further Leaders' Committee resolved officers should work to strengthen programme management and relationships with boroughs at a local level to support the management of each priority and delivery of outcomes. This position was outlined in a resolution passed at Grants Committee in November 2015 and subsequently considered at Leaders' Committee in December 2015 (**appendix seven**).

A subsequent additional consultation took place from 17 December 2015 to 22 January 2016 to seek further views on the position the Committee was minded to take as outlined above. This report summarises the findings of this consultation and includes further evidence in the form of a report commissioned from Homeless Link into homelessness need in London and information gathered at a London Councils borough event focused on sexual and domestic violence which took place on 23 February 2016.

There is also other work currently underway by London Funders (and funded by the City Bridge Trust) to review infrastructure support in London and the outcome of that review is due to be delivered to London Councils at the end of March 2016.

At its meeting on 9 March 2016, Grants Committee considered a report on the additional consultation alongside other evidence and factors, as outlined in this report. Grants Committee unanimously agreed:

- To make recommendations to Leaders' Committee to agree to deliver a Grants Programme from April 2017 operating in accordance with the current principles and focused on the following priorities –
 - Priority 1 Combatting Homelessness
 - Priority 2 Tackling Sexual and Domestic Violence
 - Priority 3 Tackling Poverty through Employment (European Social Fund match funded)
- That officers develop a proposal to work with City Bridge Trust on the implementation of the review into infrastructure support in London (being undertaken by London Funders) and that this be reported to the next meeting of the Grants Committee in July 2016

Recommendations Leaders' Committee is asked:

1. to agree that there should be a Grants Programme from April 2017 to March 2021, operating in accordance with the current principles and focused on the following priorities -
 - i. Priority 1 Combatting Homelessness
 - ii. Priority 2 Tackling Sexual and Domestic Violence
 - iii. Priority 3 Tackling Poverty through Employment (European Social Fund match funded)
 2. To note that Grants Committee has asked that officers develop a proposal to work with City Bridge Trust on the implementation of the review into infrastructure support in London (being undertaken by London Funders) and that this be reported to the next meeting of the Grants Committee in July 2016.
-

Review of Grants Programme 2013/17

1 Introduction

1.1 Background

The London local authorities have agreed to participate in a statutory Grants Scheme which enables them jointly, through London Councils, to tackle high-priority social need where this is better done at pan-London level. The existing grants programme, delivered under that Scheme, commissions third sector organisations to work with disadvantaged Londoners to make real improvements in their lives. The programme delivers a number of projects operating within a framework of overarching principles and identified priorities which are determined by the London Councils Leaders' Committee upon the recommendation of the London Councils Grants Committee. The Grants Committee is otherwise generally responsible for the operation of the Scheme and grant-making decisions. The current programme with an annual budget of £10 million was agreed by the Grants Committee and Leaders' Committee in February 2013 and each subsequent year for a four year commissioning cycle, which comes to and end in March 2017.

1.2 Proposals for a Grants Programme 2017-21

1.2.1 A review has been undertaken to determine whether London Councils should undertake a new grants programme following the conclusion of the existing programme at 31 March 2017. The review has also considered the scope and focus of any new programme.

1.2.2 London Councils Leaders' Committee, at its meeting on 8 December 2015, considered a report on the review.

1.2.3 Leaders' Committee considered the outcome of the consultation that had taken place from July to October 2015, evidence relating to the operation and impact of the current grants programme, equalities information, and other relevant factors including pressures on local authority budgets and the impact of HM Government's Comprehensive Spending Review announced on 25 November 2015.

1.2.4 The consultation, which ran between July and October 2015, together with other evidence from the operation of the current programme and stakeholders, has indicated that acting collectively to address London-wide priorities with preventative commissions through a pan-London grants programme has been effective, provided value for money and delivered positive

outcomes for people with the protected characteristics under the Equality Act 2010. An analysis of the equalities impacts of the existing grants programme was provided with the consultation that took place between July and October 2015. This analysis was then revised having regard to the consultation responses and was published as part of the Grants Committee report.

1.2.5 In this context, Leaders' Committee, at its meeting in December 2015, indicated that it was minded to continue to deliver a grants programme beyond April 2017. The Committee also indicated that it was minded that the new grants programme would continue to be underpinned by the same principles agreed by boroughs in a review of the Programme 2012 as they remained valid. The current grants programme operates on the basis that each of the priorities identified for funding must meet all the principles and it was proposed that this continue. This followed a resolution submitted to the Leaders' Committee from Grants Committee at their meeting in November 2015, included at **appendix seven.** On the whole the mid-year consultation responses were very supportive of the current principles being retained.

Principles
1. Commissioning services that deliver effectively and can meet the outcomes specified by London Councils, rather than funding organisations.
2. Commissioning services where there is clear evidence of need for services that complement borough and other services to support organisations that deliver services.
3. Commissioning services where it is economical and efficient to deliver services on a London wide basis or where mobility is key to delivery of a service to secure personal safety.
4. Commissioning services that cannot reasonably be delivered locally, at a borough or sub-regional level.
5. Commissioning services that work with statutory and non-statutory partners and contribute to meeting the objectives of the Equality Act 2010.

1.2.6 At that meeting in December, Leaders' Committee also indicated that it was minded to continue to deliver a grants programme focused on the following three priorities.

1.2.7 Priority one - Combatting Homelessness

It was proposed that a new priority provide services to tackle homelessness through prevention and early intervention, focusing on specific target groups such as young people. Leaders' Committee was minded that to adopt a priority on combatting homelessness which was refocused with changes to the commissioning process to reflect the different homelessness needs presenting in inner and outer London, including those of rough sleepers. Also they were minded to support enhanced integration with activity delivered under a priority focused on combatting poverty through employment, reflecting the links between homelessness and unemployment. Elected members were keen to ensure that services should also focus on addressing increasing needs in the private rented sector and people at risk of exploitation by rogue landlords.

1.2.8 Priority two - Tackling Sexual and Domestic Violence

It was proposed that a priority be adopted under which services would be commissioned to tackle sexual and domestic violence, including harmful practices. Leaders' Committee was minded to focus the priority further on co-ordination of specialist emergency refuge provision across London, advice, counselling, prevention, support for children and young people (as victims and perpetrators), and holistic care following on from and complementing borough led Independent Domestic Violence Advocate (IDVA) care.

1.2.9 Priority three - Tackling Poverty through Employment (European Social Fund)

Leaders' Committee was minded to adopt a third priority which was more integrated with activity delivered under the priority focused on homelessness to meet the needs of a growing number of people who are both out of work and homeless, and also to support disabled people that are out of work.

1.3 Wider context

1.3.1 In the context of real challenges in the resourcing picture facing councils in the next few years, as evidenced in the Comprehensive Spending Review announced in November, Leaders felt it was unlikely that a priority focused on capacity building in the Third Sector, could be considered for the next grants programme under the pan-London Scheme, having regard to the financial constraints facing authorities in determining how the needs of Londoners could be best addressed under a London-wide Scheme.

1.3.2 The Comprehensive Spending Review, announced by the Chancellor of the Exchequer on 25 November 2015, outlined reductions in core funding to councils of more than 30% over the

course of the forthcoming Spending Review period.¹ This will be in addition to average core funding reductions of more than 40% over the last five-year period. This will require some very hard decisions by councils about relative priorities in terms of the use of increasingly scarce resources when serving local communities. It was against that backdrop that the Leaders' Committee was minded at its meeting on 8 December to indicate that it was unlikely that a new priority focused solely on capacity building of the Third Sector, could be considered as a priority for the grants programme going forward.

2. Additional Consultation

London Councils undertook a subsequent consultation from 17 December 2015 to 22 January 2016 to seek further views on the position Leaders' Committee was minded to take in determining the scope of the new grants programme, as outlined above.

A consultation paper, including questions on the potential equalities effects of changes to the existing priorities, was published on 17 December 2015 on www.londoncouncils.gov.uk as an online questionnaire and was available as a printable survey. Borough leaders, Grants Committee members and chief executives were advised by email of the online consultation. Boroughs were encouraged to submit single borough responses and relevant borough officer networks were encouraged to contribute to them. Other organisations were advised by email of the online consultation. A number of voluntary organisations submitted responses on behalf of their organisation. Submissions were also received from stakeholders and related volunteers, trustees and individuals. The consultation closed on 22 January 2016. Further details on the breakdown of responses to the consultation can be found at **appendix one**.

2.1 Support for the Leaders' Committee in-principle position

2.1.1 The consultation outlined the in-principle position that Leaders' Committee reached at its meeting on 8 December 2015, as above, and asked if respondents supported it. Table 1.1 provides a breakdown of the answers to this question against the different categories of respondents.

Table 1.1 Breakdown of responses as to the Leaders' Committee in-principle position

¹ Core Funding is defined as Revenue Support Grant and retained business rates.

	Yes	No	Question not answered/ unclear
London borough	25 (76%)	6 (18%)	2 (6%)
Voluntary and community	8 (13%)	55 (87%)	
Individuals and service users	9 (43%)	12 (57%)	
Other funders/ stakeholders	1 (25%)	1(25%)	2 (50%)

For a full break down of borough responses to this question please see **appendix two.** These are also summarised in table 1.2 below.

Table 1.2 Summary of borough responses

Response	Boroughs	%
Yes	25	76%
No	6	18%
Unclear	2	6%
	33	100%

2.1.2 The majority of boroughs (25) stated that they agreed with the Leaders' Committee in principle position.

2.1.3 A number of boroughs stated that they did not agree (6). These six boroughs can be further broken down into boroughs that agreed with the Leaders' position but did not feel that it was appropriate not to include a priority which focussed on capacity building in the Third Sector at this stage (4 boroughs). Counting those four boroughs, together with the 25 that stated 'yes' a total of 29 (88%) are supportive of a London Councils Grants scheme going forward.

2.1.4 The remaining two boroughs stated that they felt that there should be further reductions to the scope of delivery under the Scheme beyond those proposed by Leaders' Committee, a view subsequently supported by a response from the London Councils Conservative group.

2.1.5 The majority of boroughs have indicated their support for the in-principle position taken by Leaders' Committee at their meeting on 18 December 2015. This reflects a continued majority perspective from boroughs that supports the continuation of a pan-London grants programme focused on services to tackle homelessness, sexual and domestic violence and poverty. The responses from the most recent consultation indicate that the majority of boroughs continue to be of the view that due to increased pressures on local authority budgets they do not see a continued role for London Councils in funding capacity building of the voluntary sector.

2.1.6 Boroughs have highlighted a continued support for the current elements that make up the existing priorities 1-3 (which are focused on combatting homelessness, domestic and sexual violence and poverty) and welcomed the proposal to adopt a number of new emphases such as a link between the proposed Priority one (combatting homelessness) and three (tackling poverty through employment) and to focus on different needs in inner and outer London. This is echoed by the East London Housing Partnership.² The importance of avoiding duplication of services and robust monitoring were outlined and are further addressed below.

2.1.7 VCS organisations were largely not in support of the Leaders' Committee in-principle position and have outlined a range of reasons for this as detailed in **appendix one**, focused on a desire for continued support to capacity building of the voluntary sector. MOPAC² welcomed the continued support for a priority focused on tackling sexual and domestic violence. The MOPAC response (included as **appendix six**) emphasised the links this has with a priority focussed on combatting homelessness; as well as the importance of both working together and continuing to fund a support element under the proposed Priority two to ensure the future effectiveness and sustainability of this priority area. More detail with regard to the comments can be found in **appendix one**.

2.2 Equalities Considerations

2.2.1 London Councils identified the protected groups under the Equality Act 2010 who currently benefit from each Priority within the existing grants programme to assess the potential equality implications of any changes to that offered under the existing provision. The analysis of evidence, including that from the operation of the existing grants programme and the outcome of the consultation undertaken between July and October 2015, was published in the Grants Committee papers, November 2015 and alongside the consultation questionnaire (December 2015 – January 2016).

2.2.2 The consultation asked if respondents agreed that the analysis correctly identified the groups currently benefiting from each Priority within the existing grants programme. Table two provides a breakdown of the answers to this question against the different categories of respondents.

² MOPAC – Mayor's Office for Policing and Crime

Table two

	Yes	No
London borough	27(93%)	2(7%)
Voluntary and community	11(19%)	48(81%)
Individuals and service users	12(67%)	6(33%)
Other funders/ stakeholders		

2.2.3 Whilst the majority of boroughs were in agreement with the equalities information published with the consultation a number of issues were raised. These include a desire going forward for future programmes to provide information on equalities information broken down by borough, information on individuals with more than one equalities characteristic and more information on refugees and migrants. It was also felt that it was unclear whether the equalities data which had been analysed and reported was incidental to or related to the types of services accessed.

2.2.4 VCS responses largely did not agree with the equalities information presented based on the fact that responses did not feel that the information addressed the impact of London Councils no longer funding a priority focussed on capacity building of the voluntary sector. Both boroughs and VCS organisations also called for equalities information relating to frontline organisations benefitting from funding under the current Priority four commissions (rather than that relating to their staff) to enable a proper assessment of the impacts. Information was presented to Grants Committee at their November 2015 meeting with regard to frontline organisations supported (by equalities protected characteristic). In addition, officers have provided additional information in response to these concerns which is presented in **appendix four**. A more detailed response to each of the concerns raised can be found in **appendix one, section 2.2**.

2.3 Potential negative equalities impacts

2.3.1 The consultation asked if there are negative equalities impacts that would potentially arise from the approach Leaders' Committee has indicated they are minded to pursue from April 2017 onwards and which should be considered in taking their decision?

Table three provides a breakdown of the answers to this question against the different categories of respondents.

Table three

	Yes	No
London borough	19(68%)	9(32%)
Voluntary and community	54(91%)	5(8%)
Individuals and service users	12(63%)	7(37%)

2.3.2 The majority of consultation responses were of the view that there would be a negative equalities impact if London Councils did not adopt a priority focused on capacity building of the Third Sector. Details related to this are outlined in **appendix one, section 2.3**. Some boroughs, however, did not feel that this would be the case, given that limited resources would be concentrated on direct services serving those with complex and acute needs that would benefit from a response that took into account their equalities related needs (for example emergency refuge provision for people with mental health issues or other disabilities). In relation to borough responses that stated that insufficient detail had been provided to make a judgement, please refer to **appendix one, section 2.2.4** and **appendix four**.

2.3.3 Borough responses have also stated that negative equalities implications need to be considered within a wider context. Local authorities are facing unprecedented levels of pressure on their budgets which means that decisions to fund priorities at a pan-London level are at the expense of funding services locally, which also have equalities implications. It is also relevant to consider in the context of the equalities impact of the other three proposed priority areas. Priorities one to three of the current programme have wide ranging equalities impacts that were outlined in the previous Grants Committee report (18 November 2015). It is worth noting that whilst these priorities provide specialist services that reflect the equalities related needs of beneficiaries it is also fair to say that the impact of these services is significant and are not delivered elsewhere. For example, in the 2011-12 Grants Review a need was highlighted around the lack of refuge provision for disabled women fleeing domestic violence. London Councils commissioned a service to address this need, amongst other specialised needs, under the current Priority two. This fitted with the Grants Programme principles of commissioning services that would be difficult to delivery locally given the relatively low numbers requiring this service at a borough level. Without this service, potential service users would face a choice between support that does not address their needs, returning to a violent partner or destitution. In this example it is possible to see that the direct positive equalities impacts relating to the current Priorities one to three are high.

The next section of the survey and this report is important in outlining ways in which the negative implications can be mitigated.

2.4 Mitigation

2.4.1 The consultation then asked respondents to consider what mitigation could be taken to address any potential negative impacts that they had highlighted. A range of actions were outlined that could be used to mitigate potential negative impacts related to the Leaders' Committee in principle position. These include the role of local authorities and the fact that there is a year between this meeting and funding ending which gives providers time to formulate plans to address any gaps in funding of their organisation's activities which might arise under a new pan-London programme which directs funding to different services and outcomes.

2.4.2 City Bridge Trust has commissioned London Funders to undertake a review into infrastructure in London in order to understand how the third sector can best be supported in order to optimise its positive impact on Londoners in challenging economic times. The results of this review will be published in March. Members may wish to consider a continued role for London Councils in leadership and capacity building in the third sector through supporting the implementation of recommendations from this report and helping to shape any additional funding allocated to capacity building/ infrastructure by City Bridge Trust. City Bridge Trust currently funds infrastructure as one of its nine funding priorities, 'Strengthening London's Voluntary Sector' and has recently provided £2.7m in total in grants ranging from one to three years.³

2.4.3 Providing an allocation of officer time would be an effective and cost-effective way for the boroughs, through London Councils, to collectively facilitate the boroughs' role in the implementation of the findings to provide the opportunity to evaluate new models of collaborative working between boroughs and the voluntary sector, and to provide information to boroughs about their successes and failures. This reflects consultation responses from boroughs and their views as to the need to strengthen links between the London Councils grants programme and borough activities. If members agree that officers should explore this as an option, recommendations could be brought to the next meeting of the Grants Committee in July 2016 for consideration.

2.4.4 Some boroughs suggested that more information could be provided in relation to each borough to assist boroughs in assessing the impact locally. Officers can provide a list of frontline

³ City Bridge Trust, Annual Review 2015

organisations supported per borough on request (this has been provided to some boroughs on request already).

2.4.5 Comments were made regarding support elements of the proposed priorities one, two and three. Should members remain in agreement with the Leaders' Committee position in December 2015, the detail of the new priority areas will be considered in the next few months with specifications being drawn up and reviewed by Grants Committee in their meeting in July 2016. Comments outlined above regarding the support element currently funded under priority one and priority two will be considered as part of this process. Priority three is co-funded by ESF and arrangements for support to priority three fall within those for the new (2014-20) London ESF programme (of which the London Councils ESF programme is a part). The GLA manages the London ESF programme and makes this support available through a three-year 'technical assistance' project.

Further detail on responses related to the question on mitigation is provided in **appendix one, section 2.4.**

2.5 Additional evidence/ submissions

In reaching a decision on the future priorities members will consider a range of different information. This includes information on performance of commissions to date, the results of the first consultation (July-October 2015), subsequent consultation (December 2015- January 2016), equalities information (presented previously and with this report). Other sources of information are detailed below.

2.5.1 London Councils member event on sexual and domestic violence

On 23 February 2016 London Councils delivered an event for 70 borough officers and members focused on tackling sexual and domestic violence. The event focused on issues faced by the boroughs and how these can be addressed through shared responses, in particular with VCS partners. The event had speakers from boroughs, voluntary and community organisations and MOPAC's Violence Against Women and Girls Board. The event represents the ongoing action to ensure services are properly linked to local services and in coordination with regional initiatives in this area, as outlined in section four. Key issues from this event are outlined in **appendix one, section 2.5.**

2.5.2 Evidencing the need for homelessness in London

When considering a position on the future grants priorities Grants Committee at their meeting of 18 November 2015 outlined a need for further evidence on homelessness need in London to enable them to make a decision on the priorities for the period beyond 2017. London Councils commissioned Homeless Link to undertake a short piece of research to address this.

Key findings from the report are as follows,

- There is clear evidence for a growing level of homelessness and a need for resources to be allocated in outer London, in particular around private rented sector (PRS) tenancy brokerage and sustainment
- Further work needs to be undertaken in terms of prevention of homelessness and rough sleeping, in particular in outer London. Given the different cost implications of delivering outreach in inner and outer London different models might be considered and work undertaken in coordination with related work undertaken by the Mayor.
- There is evidence that some equalities groups are disproportionately affected by homelessness in London.
- The link between unemployment and homelessness is clearly a complex issue and suggests a coordinated pan-London approach is appropriate.

The report is included at **appendix five**.

The research echoes the recent results of the Grants Programme (Priority one homelessness) which has seen

- The proportion of service users from outer London up from 49% in 2013/14 to 55% in 2015-16
- Shelter: proportion of users from outer London up from 29% in 2014/15 to 46% in 2015-16
- In 2013/15, London Councils projects supported:
 - o 2,746 people with mobility related disabilities
 - o 16,009 BAME service users
 - o 2,479 LGB service users (and 200 Trans service users)
 - o 11,000 young people supported by New Horizon Youth Centre

2.5.3 Additional submissions

London Councils officers were copied into 24 letters/ emails to members from locally based Age UK organisations (such as Age UK Redbridge, Barking and Havering). The letters raised issues that are echoed in **appendix one, section 2.3** and addressed in section 2.3 above.

In addition a letter was sent to Mayor Pipe from London Voluntary Sector Forum and copied to borough Leaders. The issues raised within this letter are addressed within the body of this report and appendices.

3 Equalities impact

3.1 The Committee is asked to refer to the sections above and Equalities Impact Assessment report at **appendix four** for a full description of the opportunities and issues that arise from the current review of the grants schemes principles and priorities. This builds on previous equalities information considered by the Grants Committee at their meeting of 18 November 2015.

3.2 The Grants Committee and the Leaders' Committee in March 2016 will, in reaching decisions for implementation of the future grants programme and any extension arrangements, be required to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations as required by the general public equality duty in the Equality Act 2010. In taking a decision, therefore, due regard must be given to the anticipated impact (positive and/or negative) of any proposed changes on protected groups under the Act and the steps which may be taken to mitigate any adverse impacts. The weight given to the equality implications of the relevant decision is for the decision-maker who must be clear as to what the equality implications are when they put them in the balance, recognising the desirability of achieving them. In certain situations a body subject to the duty may conclude that other countervailing considerations outweigh the equality ones e.g. local priorities or available resources.

3.3 The pan-London Grants Scheme, and the programmes delivered through it, are designed to address the needs of some of the most disadvantaged Londoners. These include a high proportion of people with characteristics protected under the Act. The analysis of both of the consultation responses, and other evidence which is summarised in this report, indicates that the current programme operating under the existing principles and priorities has successfully addressed inequality and the needs of the protected groups intended to benefit from the funded activities. All the current priorities were considered to have strong positive impacts across a range of protected groups. Small or minimal numbers of respondents to the consultation identified some negative impacts. The evidence is that without the current programme, many services in London that have a positive impact on inequality would not exist. It is clear that the current principles, and all the priorities operating within those principles, have a positive impact on equality and that any reductions in services under any funded priority would reduce this

positive impact. Evidence also suggests that an increase in funding would increase the equalities impact of those funded activities.

3.4 Analysis of consultation responses and other evidence and factors had indicated that the best way of continuing to achieve maximum and most effective impact with increasingly limited resources is to focus on three priority areas with a strong focus on direct services targeted at very disadvantaged Londoners. Should members agree to go ahead with a programme focused on three priorities; specifications will be drawn up in the following months covering proposed services, activities and outcomes. It is possible that proposed priorities one and two could potentially include an element of support services dependent on availability of resources and other factors.

3.5 An initial equalities impact assessment was prepared and published alongside the consultation survey in July 2015. This covered the information provided alongside the report on the Grants Review submitted to Grants Committee on 18 November 2015.

3.6 Further information on the initial equalities assessment is provided in Grants Committee, Item 13- Proposal for Review of Grants Programme - post 2017, 15 July 2015, www.londoncouncils.gov.uk

Further information on the additional equalities information is provided in Grants Committee, Item 8 - Review of London Councils Grants Programme, 18 November 2015, www.londoncouncils.gov.uk

4 Next steps

4.1 Key milestones

It is planned to invite applications for the delivery of new projects in the summer of 2016. Following assessment of these applications, recommendations will be made to Grants Committee on projects which would commence on 1 April 2017, or as soon as soon as practicable after that.

The timetable for this process (subject to Committee approval) for commissioning services is:

- In **March-April 2016**, advise Grants Committee on potential activities within any new priorities
- Between March 2016 and July 2016, develop detailed specifications to be agreed by the Grants Committee

- In July 2016 bring proposals to Grants Committee on future working with City Bridge Trust on the future of infrastructure in London.
- Invite proposals in **summer 2016** from organisations to deliver services set out in the specifications
- In **winter 2016**, proposals assessed against the service specifications and recommendations made to members which will be subject to resourcing levels
- By **31 January 2017** the annual grants budget for 2017/18 will have been agreed, and an indicative budget for the remainder of the programme will have been agreed
- New services to start on **1 April 2017**, or as soon as soon as practicable after that.

4.2 Borough engagement

4.2.1 During the consultation a number of views were expressed regarding the commissioning process. In particular London local authorities expressed a desire to be more involved in the commissioning process for the 2017-21 programme. At times this view was fuelled by concerns that current commissions do not sufficiently reflect the needs of all boroughs, in particular outer London boroughs. It is also worth noting that not all boroughs expressed this and many responded positively about the current commissions, the ways these have worked with local services and the reporting to date.

4.2.2 In delivering the 2013-17 programme relevant borough officer networks were involved at key stages (borough grants officers, housing needs and homelessness network, violence against women and girls (VAWG) coordinators). Borough officers contributed to the shaping of the priorities and specifications via a number of public consultations. They were then involved in the award of commissions through a number of borough officers scoring applications and groups of borough officers meeting as moderation panels reviewing the high scoring applications. During the life of the grant, London Councils officers have attended borough officers network meetings (such as VAWG Coordinators) to discuss the progress of the commissions and have provided update reports. With priority two there were a number of issues expressed by borough officers in the first year of grant. Officers attended a meeting in a town hall with borough officers and staff from one of the providers to troubleshoot issues. Officers in addition conducted a survey of VAWG Coordinators and presented the results of this at their City Hall meeting with funded providers in attendance to answer questions. Borough officers and members have attended monitoring visits such as to New Horizon Youth Centre and GALOP. Officers acknowledge that this involvement has been varied in practice, that engagement was more active in the earlier stages of grant and is not consistent across all the relevant borough officer groups.

4.2.3 Officers propose strengthening this model going forwards, in response to the issues raised by some boroughs in the consultation. Following the consideration of the future priorities at this meeting and Leaders' Committee on 22 March 2016 officers will approach borough officers to ask for their involvement in drawing up the specifications. Boroughs are asked to nominate any particular officers that would be interested in being involved in this process. Processes to actively engage officers across a range of boroughs and the various relevant service areas will need to take into account limited available resources both in boroughs and at London Councils. Officers will also explore reporting models to ensure boroughs are satisfied with the reporting provided going forward.

4.2.4 Issues were raised during the consultation regarding the monitoring of outcomes. Commissions currently deliver against London Councils standard outcomes outlined in the service specifications agreed at Grants Committee in September 2012. Each commission has a robust grant agreement which sets out agreed primary and secondary outcome indicators that demonstrate achievement of the London Councils standard outcomes. For example, under Specification 1.1 Homelessness Early Intervention and Prevention there is a standard outcome 'Number of tenancies sustained for one year'. These outcomes are measured and numbers reported at each quarter, including numbers achieved across the 33 boroughs. These are reported to Grants Committee each quarter. The performance against target in relation to these outcomes also contributes to each commission's red/amber/green 'RAG' score each quarter, which are also reported to Grants Committee. As part of the process of drawing up new specifications officers will work with borough officers, VCS, and other stakeholders including MOPAC and other funders to ensure the standard outcomes that are included in the new specifications are robust and up to date.

5 Conclusion

5.1 In November 2014 Grants Committee considered a review of commissions which reviewed how effective, economical and efficient current commissions were. Following this Grants Committee agreed the scope of a review of the Grants Programme in July 2015 to inform decisions on the future delivery of a grants programme at the conclusion of the existing grants programme. Results of a public consultation, performance information relating to the current programme, equalities information and wider factors and considerations, including reduced funding available to local authorities, were considered by Grants and Leaders' Committees at their meetings in November and December 2015. This position was outlined in a resolution

passed at Grants Committee in November and subsequently considered at Leaders' Committee (**appendix seven**) in December. In outlining members' support for tackling homelessness the resolution contained two conditions focused on evidence of need and that any future commissioned services should reflect the differing needs of inner and outer London. These conditions are addressed in the body of the report and in **appendix five**.

5.2 At this point a position was reached in principle to continue a programme based on the current principles and focused on future priorities which were similar to the current programme in focus to the current programme's Priorities one, two and three. This reflected the fact that there was less support for continuing to fund a priority focussed on capacity building in the consultation results from boroughs, given the pressures on resources and a desire to concentrate limited resources on services with greater levels of direct positive and measurable impact on beneficiaries. It was outlined that this approach was likely to have a negative impact upon those protected groups which benefited indirectly from London Councils' funding of capacity building of the voluntary sector. However, in taking difficult decisions as to how best to use scarce local authority resources to address the needs of Londoners in a pan-London grants programme, it was preferred that the next grants programme have three priorities focused on services to tackle homelessness, sexual and domestic violence and poverty (subject to budget making decisions in autumn 2016). Leaders' also concurred with the Grants Committee that London Councils' officers should work to strengthen programme management and relationships with boroughs at a local level, in particular, to provide more detailed reports on performance by borough, sharing them with borough officers, to support the management of each priority and delivery of outcomes. These issues are addressed in Section four of this report.

5.3 A public consultation which ran from December 2015 to January 2016 was undertaken to gather further evidence having regard to the Leaders' position of December 2015. The consultation received responses from a range of VCS organisations, boroughs and relevant stakeholders. These organisations are in a key position to highlight issues that have not been taken into consideration to date. The consultation responses reiterated the majority position of boroughs in favour of the Leaders' in principle position. Responses also outlined concerns from VCS organisations, service users and individuals as well as a small number of boroughs regarding the proposal not to have a priority in the new programme focused on capacity building in the third sector. In terms of equalities issues, further information has been provided, both as to (positive and negative) impact and potential means of mitigation which are outlined in this report.

This includes the wide-ranging positive impacts on the people with the protected characteristics related to the current programme in terms of the current priorities one, two and three. Where gaps in information have been highlighted within consultation responses these have also been addressed in the report and appendices.

5.4 Members will be considering the information against a wider context that includes unprecedented reductions in available resources against increases in demand for service. The final 2016-17 Local Government Finance Settlement was announced 8 February 2016 by the Secretary of State for Communities and Local Government. The Settlement outlines final funding allocations for local authorities for the financial year 2016/17, and provisional figures for the following three years 2017/18 to 2019/20. In response to this London Councils issued a member briefing which stated that 'London local government will face the largest reductions in core spending power of any region once the wider resources available are taken into account. Cuts to core funding of 34 per cent in real terms will be extremely difficult to absorb, coming on top of a 44 per cent reduction since 2010/11 and it is likely that the current levels of non-statutory services will not be sustainable.'⁴

5.5 In this context boroughs are having to make increasingly difficult choices. Decisions to provide funding for one area is at the expense of funding other areas. The anticipated positive equalities effects (related to disadvantaged Londoners experiencing acute and complex issues) of the proposed three priority areas need to be taken into consideration when making decisions about using limited resources.

5.6 The evaluation of the additional evidence collated after Leaders' Committee in December continues to support the in principle position and therefore to support the Committee approving it now. Therefore it is recommended to members that they agree to adopt, as its recommendation to Leaders' Committee, the in-principle position reached at the Leaders' Committee meeting 18 December 2015 as the best way for London Councils to address need in London through the pan-London Grants Scheme.

Recommendations

Leaders' Committee is asked:

⁴ London Councils member briefing , Local Government Finance Settlement 2016/17, February 2016

1. to agree that there should be a Grants Programme from April 2017 to March 2021, operating in accordance with the current principles and focused on the following priorities -
 - i. Priority 1 Combatting Homelessness
 - ii. Priority 2 Tackling Sexual and Domestic Violence
 - iii. Priority 3 Tackling Poverty through Employment (European Social Fund match funded)
2. To note that Grants Committee has asked that officers develop a proposal to work with City Bridge Trust on the implementation of the review into infrastructure support in London (being undertaken by London Funders) and that this be reported to the next meeting of the Grants Committee in July 2016.

Financial Implications for London Councils

Decisions on the budget for a future programme will be considered at Leaders' Committee November/ December 2016.

Legal Implications for London Councils

1. In reaching its decision the Committee must comply with general public law requirements and in particular it must take into account all relevant matters, ignore irrelevant matters and act reasonably and for the public good.
2. In addition, the Committee is required to consult those likely to be affected by the decision. In order to be lawful a consultation exercise must take place when the proposals are still at a formative stage, sufficient time and information must be given to permit intelligent consideration and response and the product of the consultation must be conscientiously taken into account by the decision maker in reaching a decision. The consultation process and the results of the consultation are set out above.
3. A public authority must also in, the exercise of its functions, comply with the requirements of the Equality Act 2010 and in particular section 149 (the Public Sector Equality Duty).
4. The protected characteristics to which the Public Sector Equality Duty ("PSED") applies now include age as well as the characteristics covered by the previous equalities legislation applicable to public authorities (i.e. disability, gender

reassignment, marriage and civil partnership, pregnancy and maternity, race, sexual orientation, religion or belief and sex).

5. The PSED is set out in section 149 of the Equality Act 2010 ("the Act") provides (so far as relevant) as follows:

(1) A public authority must, in the exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

(3) Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

(4) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

(5) Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding.

(6) Compliance with the duties . . . may involve treating some persons more favourably than others.

Case law has established the following principles relevant to compliance with the PSED which the Committee will need to consider:

(I) Compliance with the general equality duties is a matter of substance not form.

(ii) The duty to have "due regard" to the various identified "needs" in the relevant sections does not impose a duty to achieve results. It is a duty to have "due regard" to the "need" to achieve the identified goals.

(iii) Due regard is regard that is appropriate in all the circumstances, including the importance of the area of life of people affected by the decision and such countervailing factors as are relevant to the function that the decision-maker is performing.

(iv) The weight to be given to the countervailing factors is in principle a matter for the Committee. However in the event of a legal challenge it is for the court to determine whether an authority has given "due regard" to the "needs" listed in s.149. This will include the court assessing for itself whether in the circumstances appropriate weight has been given by the authority to those "needs" and not simply deciding whether the authority's decision is a rational or reasonable one.

(v) The duty to have "due regard" to disability equality is particularly important where the decision will have a direct impact on disabled people. The same goes for other protected groups where they will be particularly and directly affected by a decision.

(vi) The PSED does not impose a duty on public authorities to carry out a formal equalities impact assessment in all cases when carrying out their functions, but where a significant part of the lives of any protected group will be directly affected by a decision, a formal equalities impact assessment ("EIA") is likely to be required by the courts as part of the duty to have 'due regard'.

(vii) The duty to have 'due regard' involves considering whether taking the particular decision would itself be compatible with the equality duty, i.e. whether it will eliminate discrimination, promote equality of opportunity and foster good relations. Consideration must also be given to whether, if the decision is made to go ahead, it will be possible to mitigate any adverse impact on any particular protected group, or to take steps to promote equality of opportunity by, for example treating a particular affected group more favourably.

6. To assist the Committee in fulfilling its PSED, the EIA has been provided to Grants Committee and Leaders' Committee at their meetings in November and December 2015 and additional equalities information is provided in this report, within the body and in **appendix four**. This will need to be read and taken into account by Committee, together

with the requirements of the PSED itself set out above, in reaching a decision on the recommendations in the report. In addition, the equality implications are summarised in the body of this report (section 2.1 to 2.4, and section three) and related sections of **appendix one and four**. As the PSED is an on-going duty, due regard will need to be given to it in the further development and operation of the grants process.

7. The Committee should therefore carefully consider the outcome of the consultation and the PSED, together with the other relevant considerations set out in the report in reaching its decision.

Equalities Implications for London Councils

As above. Information was considered by the Grants Committee and Leaders' Committee as to equalities implications at their meetings in November and December 2015. Further equalities information is contained within the body of this report and in **appendix one and four**.

Appendices

Appendix One Analysis – Future grants programme priorities

Appendix Two Borough responses to Q1 “Q.1 The statement above sets out the in principle position of Leaders' Committee reached at its meeting on 8 December 2015. Do you support it?”

Appendix Three Organisations that responded to the consultation

Appendix Four Additional Equalities information

Appendix Five Evidencing Changes in Homelessness Need in London

Appendix Six Letter from Stephen Greenhalgh, Deputy Mayor for Policing and Crime

Background Papers

Grants Committee, Item 4, Grants Programme 2017-21, 9 March 2016

London Councils Grants Additional Consultation 2017/21 (including equalities impact assessment) December 2015 – January 2016

Leaders' Committee, Item 9 - Review of Delivery of a London Grants Programme – 8 December 2015

Grants Committee, Review of London Councils Grants Programme, Item 8, 18 November 2015

Grants Committee, Item 6. Performance of Grants Programme, 18 November 2015

London Councils Grants Consultation 2017/21 (including equalities impact assessment) July – October 2015

Grants Committee Item 12 - Grants Programme Performance Report - Year 2, 15 July 2015,

Grants Committee, Item 13- Proposal for Review of Grants Programme - post 2017, 15 July 2015

Grants Committee Item 6 - Grants Programme - Review of Projects, 26 November 2014

Appendix one

Additional Consultation December 2015- January 2016

1. Summary of consultation responses

A total of 89 completed surveys were received online; a further 34 written responses were received by email. The responses came from 94 organisations including, 32 boroughs, a funder, a housing partnership, the Mayor's Office for Policing and Crime and 59 voluntary and community sector organisations. Responses were also received from individuals and service users. London Councils was also copied into a number of letters sent to members of the Grants Committee from voluntary sector organisations highlighting their concerns with the Leaders' Committee position.

The replies broadly reflect the diversity of London's overall population and the nine protected characteristics under the Equality Act 2010. Further information on the equalities breakdown of responses can be found in [appendix four](#) of this report.

2. Analysis – Future grants programme priorities

2.1 Support for the Leaders' Committee position

The consultation asked respondents for further information with regard to their view on the Leaders' Committee position. A summary of the responses is provided below.

2.1.1 Borough responses

Twenty five boroughs stated that they agreed with the Leaders' Committee position to continue with a grants programme focused on three priorities (sexual and domestic violence, homelessness and poverty) but that it was unlikely that a new priority focused solely on capacity building of the Third Sector, could be considered as a priority for the grants programme going forward. This reflects the constraints on local authority budgets as outlined above. One borough stated that refocussing a future programme in this way would enable it to fund capacity building at a local level.

Despite the majority view outlined above, four boroughs stated that they did not agree with the Leaders' Committee statement because they felt there should be a role for London Councils in funding a priority focused on capacity building. These boroughs highlighted the important role that the VCS are playing in delivering local authority activities and the need to ensure the organisations were sufficiently supported to be able to deliver quality services

and maintain organisational sustainability. These responses highlight the increase in demand on VCS services and the role they play in supporting communities' and individuals' resilience. Capacity building includes support to form partnerships in order to compete for larger significant contracts against private competitors whilst reflecting the needs of vulnerable people. Pan-London funding for capacity building was felt to be a low cost means of investing in the VCS in London.

The City of London states this case most strongly and calls on the boroughs through London Councils to reiterate their commitment to capacity building the third sector. The City highlights the need for a pan-London capacity building service and that London Councils is well placed to show leadership in this area given its democratic mandate and experience in this area. City Bridge Trust has funded London Funders to commission a review of infrastructure support to the third sector, which is due to conclude this month. The response requests that London Councils allocates some resources to ensure sufficient officer time to work with City Bridge Trust and other London Funders to shape the implementation on the report's findings.

Alongside these four boroughs, a further five boroughs highlighted a role for continued pan-London delivered capacity building, if not necessarily through London Councils, nor at the same level. In particular this was around equalities led organisations, specialist support, building new models, supporting HR issues, representation for specific parts of the community and disseminating information on policy changes. These boroughs highlighted the risks in not delivering a programme that contained a priority focused on capacity building the third sector, stating that the current Priority four projects might not survive and local authorities might struggle to address the gap at a local level.

In support of their statement boroughs also made some general comments about the grants programme as follows.

Six boroughs reiterated the fact that there are huge pressures on local authority budgets and that boroughs are having to make very difficult choices in the light of limited resources. The need to ensure that the programme delivered value for money, robust outcomes and tackled issues that could only be addressed at a pan-London level was felt to be even more relevant in this context. Two boroughs stated that given this context a pan-London programme was vital in delivering a coordinated response using limited resources. It was felt that the programme was able to respond to key specific target groups and needs that in any one borough would be difficult to address due to comparatively small numbers of people

experiencing the issues in question or from specific communities with cultural or language needs that can best be met on a Pan-London basis. The role of consortium funding was seen as key to this in providing an opportunity to access specialised or culturally specific support through a wider partnership of providers. The role of the programme in leveraging in more resources from other funding streams was also highlighted.

Echoing views raised in the initial consultation five boroughs emphasised the importance of commissions and priority areas working closely with local provision to complement existing provision, embedding services locally and avoiding duplication. Generally boroughs welcomed the fact that the position taken by Leaders' Committee at this stage reflected a need to address changing issues relating to inner and outer London. One borough stated that outer London issues needed to be reflected further.

Some boroughs emphasised the need for more robust performance management of the programme and clearer reporting on the services available, referral routes and benefits for their borough residents. Echoing issues raised above about the pressures on local authority budgets one borough stated that boroughs' contribution to the scheme is often at the expense of investing in local grants pots and local community and voluntary sector groups making the need to demonstrate to residents a direct positive impact on the borough all the more important. In contrast, other boroughs stated that their satisfaction with the levels of benefit and reporting had improved and were now satisfactory.

It was felt that borough involvement in the process of commissioning was key and boroughs welcomed the chance to be involved in the next stage of the process. Further details on this are covered in Section Four of the main report. It was felt that future priorities should be flexible and able to adapt to changing needs.

Boroughs then wrote specifically about the proposed priority areas, reiterating issues raised in the earlier consultation.

Priority one – Homelessness

Seventeen boroughs made specific reference to their continued support for this priority area. It was felt that current services have helped manage demand presented to London local authorities. Two boroughs stated that funding to tackle homelessness should be reduced/ removed and undertaken locally. During the previous consultation a number of responses stated that there should be a stronger link between services to tackle unemployment and homelessness. This was reiterated by 14 boroughs in the recent consultation. Some

boroughs (3) urged caution given that both are complex and multi-faceted issues and that services should not be restricted to service users that are experiencing both issues. Five boroughs welcomed the refocusing of the service to reflect evolving homelessness issues presenting in inner and outer London. For example the growing numbers of street homeless (rough sleepers) in outer London.

Responses reiterated the importance of the grants programme focusing on areas that do not fall under local authority duties or target groups that would be challenging to support at a borough level due to the comparatively small numbers or transient nature. Examples provided include EEA nationals and non-UK nationals with no recourse, young people, and those with mental health needs, TB and other complex needs. Some boroughs highlighted issues related to street homelessness such as hotspots or encampments, whereas other boroughs emphasised other target groups such as the 'hidden homeless' and those in unsuitable accommodation. It was felt that the service should continue to support beneficiaries to access and maintain private rental sector tenancies, through advice and tenancy brokerage and tackle issues of rogue landlords. The focus on prevention and early intervention was felt to be key. It was felt that given the complex nature of the issues, services should provide holistic support covering, health, education, training and job skills. It was felt that frontline providers required support through training to ensure high quality and relevant services.

Priority two – Sexual and domestic violence

Reflecting the previous consultation twenty boroughs made specific reference to their continued support for this priority area citing the increase in demand and the positive role that current commissions have made in delivering services across London, supporting boroughs to manage demand. It was felt that services should link to the proposed Priority one homelessness provision reflecting the link between these areas. Service provision should also link to health services. Five boroughs stated the importance of making sure funded services are carefully aligned with existing models of service delivery (local, regional (MOPAC) and national (DCLG/Home Office)) to ensure there is no duplication. The way that services have integrated and complemented local provision was largely praised and boroughs highlighted the benefits that service users have gained from consortiums covering a range of specialist partners and types of service delivery.

Boroughs highlighted a number of key target groups that services should cover including women with no recourse to public funds, complex needs including mental health needs, children and young people (as victims and perpetrators), and victims of trafficking/sexual

exploitation. Borough responses reiterated their support for the current six strands covering prevention, counselling, advice, helpline, coordinated refuge provision (including data collection), emergency refuge provision, support to sexual and domestic violence voluntary and community organisations (VCO) and specialist support around female genital mutilation (FGM), forced marriage, honour based violence and other harmful practices. Borough responses expressed a desire to remain involved in the next stages of the commissioning process.

Priority three - Poverty

Reflecting the previous consultation 15 boroughs specifically reiterated their support for this priority and how previous activities had helped manage demand on local services. As above boroughs re-stated the importance of linking this priority to the proposed Priority One homelessness, in particular EEA non-UK nationals. The importance of holistic support, linked to local services was also highlighted. It was also felt to be important not to duplicate local or sub-regional commissioning on this area. Borough responses reflected on the target groups and confirmed support for services targeted at people with disabilities, including learning disabled, long term health needs and mental health. Other target groups were highlighted including, women facing barriers to employment, lone parents, drug and alcohol misuse, ESOL and people with very low skills.

Six boroughs commented on the interrelationship between employment and poverty. This included issues around welfare reforms, in-work poverty and the need for funded services to also cover budgeting skills to assist service users manage the high cost of living in London (especially for young people). As above the importance of value for money and robust outcomes, including sustainable job outcomes was emphasised. Boroughs commented on models of commissioning and two boroughs specifically emphasised the benefits of sub-regional projects with a strong encouragement towards partnership working to embed the various elements highlighted above.

Not all boroughs supported this area of funding and one borough stated that it did not feel it should be delivered through the grants programme.

There is a separate report on this agenda regarding Priority three Poverty (ESF) given the different timescales that it operates under. As outlined further in that report, the above issues have been taken into account in drawing up the prospectus for the new Poverty/ ESF round to ensure it reflects these issues. For example the link between unemployment and homelessness has been incorporated into the prospectus.

2.1.2 Voluntary and Community Sector (VCS)

The majority of VCS responses (87%) did not support the Leaders' Committee position. This was in the main due to respondents supporting the continuation of a priority focused on capacity building in the third sector (45 responses). Support is outlined in responses from organisations currently funded under Priority four, but, in greater number, from frontline organisations that currently receive support from Priority four projects. In addition, organisations from other sections of the voluntary sector have commented on their disagreement with London Councils position.

Reasons cited for this position include the following. Priority four has played a role in furthering equalities objectives (disability, race (including refugee) and age are the most regularly cited characteristics) (27 responses). Current Priority four commissions provide specialist advice to equalities led frontline organisations in a way that reflects their needs and accessibility issues (not available through mainstream provision), raise the profile of issues affecting that equalities group and support the representation of those communities. In addition the current Priority four commissions have worked to improve the accessibility of other frontline projects, for example through the delivery of disability access training. Responses highlight the fact that equalities groups (women, disabled) have been disproportionately affected by the welfare reforms and cuts to public services creating increased demand for services in these areas.

Responses also stated that existing services have a significant and positive impact and that monitoring information has demonstrated robust outcomes and value for money. The context of the VCS increasingly stepping into areas previously delivered by local authorities, facing increased demands and more competition for resources, are all highlighted as reasons for supporting a strong VCS through capacity building to ensure quality services and manage risk. Responses have highlighted the fact that the increase in demand on their services has meant that management staff have been diverted away from strategic, organisational and networking/ partnership building activities to frontline delivery. The cross-sectoral working needed to address these challenges was felt to be best supported via capacity building support. Capacity building was seen as a key way that boroughs could shape the voluntary sector and support the leveraging in of extra resources. Responses also highlighted the review being undertaken by London Funders for City Bridge Trust.

Priority one - homelessness

Support for the other three priority areas was also outlined and some further issues relating to these. With regards to Priority one, respondents highlighted the importance of services focusing on the following target groups, BAMER, LGBT, migrants, those with no recourse, women, people with learning disabilities, physical health problems, history of offending, drug and alcohol misuse, mental health issues and in general non-priority single homeless. Particular issues were raised with regard to young people such as the affect of welfare reforms and the proposed housing support changes. A pan-London service was highlighted as essential for this target group given the transient nature of this group, lack of local-authority connection and the need to flee violence, harassment and destructive family homes.

Responses welcomed the links being made in the proposal between homelessness and employment services, the emphasis on early intervention and prevention and the changes in homelessness presenting in inner and outer London. Eleven responses highlighted the need for continued support for frontline organisations. These responses highlighted the unprecedented levels of change in homelessness and the need for frontline homelessness organisations to keep up to date with these changes (such as private rent sector and rogue landlords). The ability to effectively work across sectors, building partnerships and working with local authorities (such as the link between homelessness and employment and homelessness and sexual and domestic violence) was felt to be best supported through specialist homelessness organisational support. The role of this support was also felt to be key in supporting voluntary and community organisations to manage risk when filling in gaps/ delivering statutory services. The current service was felt to have a strong equalities focus, supporting small equalities led organisations and raising awareness about equalities issues such as mental health.

Priority two – sexual and domestic violence

A large number of organisations welcome the continued support for Priority two. It was felt that the services should be carefully designed to best complement and not duplicate local and other regional services (delivered via the Mayor's office for policing and crime). For this reason it was felt that services should focus on post-IDVA care and work to support multi-agency working around harmful practices (and not perpetrator work which is being explored by MOPAC). Target groups highlighted include LGBT, children and young people, and women with no recourse to public funds. Holistic refuge provision was felt to be important including access to job search, counselling, finding PRS property and legal advice. One response called for the inclusion of second stage refuge accommodation in response to the difficulty in moving women on from first stage refuge accommodation.

Thirteen responses highlighted the vital role played by organisations that support the sexual and domestic violence voluntary sector. These responses highlighted the very precarious state of the sector and the need for support to improve organisation's financial sustainability and resilience. Women's organisations are often small and dispersed across London and require cross borough support. Organisations need to deliver accessible, inclusive and responsive services based on an understanding of their users and the legislative environment they work in, which was felt to be best delivered by specialist support. Support was needed to gather data to demonstrate need and impact, network and form partnerships, income generation, organisational health, develop policies and in providing representation to this area of work in sub-regional and regional decision making.

Priority three - poverty

There were not many comments on priority three in addition to those raised during the previous consultation. Responses welcomed the links to priority one.

2.1.3 Service Users/ individuals

Responses to the Leaders' Committee position from services users and individuals were divided (nine in favour and twelve against). Reasons for not agreeing with the position echoed those of the VCS responses in terms of a desire to have a priority focused solely on capacity building the third sector. Responses stated that priorities one to three depend primarily on the third sector to deliver them and that this was wasted investment without investing in capacity building the VCS. Also that this was most efficiently done at a pan-London level. The negative impact related to the Leaders' position was highlighted in particular to the Deaf/ disabled VCS and BAMER VCS.

Other responses were in support of the Leaders' Committee position in terms of the retention of priorities one to three. One survivor of domestic violence commented on how vital LGBT specific domestic violence services had been to them. It is worth noting that, in terms of the current Priority four, the service users are frontline organisations and these responses are outlined in section 2.1.2 above.

2.1.4 Other stakeholders (GLA, other funders)

A letter from Stephen Greenhalgh, Deputy Mayor for Policing and Crime was received regarding the Grants Review. The letter outlines support for the continued funding of services to tackle sexual and domestic violence and states that priority two links closely with services funded by the Mayor's Office for Policing and Crime (MOPAC). The letter highlights

the benefits to the sexual and domestic violence sector involved in this joint working approach. Elements that were mentioned include the funding of specialist refuge provision and coordination and data sourced by UKROL which has identified gaps in types of specialist provision feeding into the work of the London VAWG Board (created to deliver the Mayor's VAWG strategy).

The links between domestic violence and homelessness are reiterated and the letter states that this reflects further work that the VAWG Board is taking forward with the boroughs (through London Councils). The letter calls for the continued funding of the support element of Priority two given the very precarious position the sexual and domestic violence sector is currently in. This would ensure organisations have diverse income streams, good fundraising strategies, strong governance and financial controls. The letter is included as **appendix six**.

A funder, Lloyds Foundation submitted a response which outlined their support for the three proposed priority areas, however, stated the importance of capacity building, especially in an environment where support for infrastructure organisations is declining and it is harder for charities to access the capacity building support which could help them to become more sustainable in the long term.

East London Housing Partnership¹ submitted a response which welcomed the proposed priority focused on tackling homelessness. The submission focused on the importance of early intervention and prevention and the links between unemployment and homelessness. Research suggests that an approach is needed that encourages people to seek help before they lose their accommodation. The response also suggested that the proposed Priority one should be linked to the proposed Priority two. Safe settled accommodation provides the base from which survivors can rebuild their lives free from the threat and fear of abuse and be empowered to return to work, education or training, taking back control of their lives. At present move-on accommodation for survivors in refuges or in temporary accommodation or staying with family or friends is limited. Wider policy context was highlighted such as the reduction in the benefit cap to £23,000 per year in London from April 2016, proposed changes to the National Planning Policy Framework, which could lead to the redefinition of affordable homes, might reduce the future provision of genuinely-affordable homes and the sale of housing association stock through the voluntary extension of right to buy by housing associations, could result in the loss of move-on accommodation for homeless households, with the potential loss of 14,000 homes in East London alone.

¹ East London Housing Partnership is an alliance between the eight East London local authorities and East London registered social landlords

2.2 Equalities Considerations

The consultation asked respondents for further information on whether respondents agreed with the equalities analysis. A summary of the responses is provided below.

2.2.1 Borough responses

The majority of boroughs (93%) agreed that the analysis correctly identified the equalities groups currently benefitting from each priority within the current grants programme. One borough stated that equalities information largely mirrored the equalities information they had gathered at a local level.

Whilst there was widespread agreement with the current analysis, four boroughs stated that although in agreement, would like to see improvements in the monitoring information presented to ensure that the data is robust and monitoring information is re-focused to relate to each borough (including equalities information broken down by borough). Two boroughs highlighted the fact that the analysis does not highlight the impact of implementing the Leaders' Committee in principle position. Another borough highlighted the limitations of equalities information in relation to Priority four, given that information relates to frontline organisations and not individuals. Two boroughs highlighted the fact that the analysis would benefit from more information on migrants and refugees given the emerging need in this area. One borough highlighted the issue that equalities data does not provide a breakdown of where an equalities characteristic is incidental to or related to the choice to access a particular service. Another borough also stated that equalities data does not show when an individual represents a number of equalities characteristics. Two boroughs did not agree with the analysis based on their concern about the robustness of the data.

2.2.2 Voluntary and Community Sector

The majority of responses from voluntary and community organisations (81%) did not agree that the analysis correctly identified the groups currently benefiting from each priority within the existing grants programme.

This position largely related to the fact that the previous equalities information published with the Grants Committee report (18 November 2015) and additional consultation (December 2015 – January 2016) focused on the groups that had benefitted from each priority rather than a more explicit outline of what the impact would be should London Councils deliver a programme that did not include a priority focused on capacity building. Respondents felt that more information could be included such as the outcomes that have been achieved by current commissions under Priority four. There was also felt to be an issue with the data

provided in the equalities assessment as it largely reflected the monitoring data collected from the individuals from frontline organisations (that attended training and events) and did not reflect the end beneficiaries of the frontline services provided by these organisations. A large number of responses were from Deaf/disabled people's frontline organisations. These stated that insufficient attention had been paid to the impact the Leaders' Committee position would have on Deaf/disabled people's organisations and the knock on effect for the thousands of disabled people these organisations serve.

It was also felt that the equalities assessment did not fully explain that equalities led organisations (in particular disabled people's organisations) were often small, limited infrastructure and had limited networking opportunities. It also did not explain that current capacity building support enables frontline organisations to support their service users with intersectional issues (e.g. disabled women's access to domestic violence services). Additionally that more could have been provided on the range of support that is available including, opportunities for the development of stronger organisations, better skilled staff, partnership working, collaboration and delivery of better services. It was therefore felt that, the in-principle position of the Leaders' Committee would disproportionately affect these groups in general (in that they have a greater need for capacity building), compounded by the fact that current commissions under Priority four provide specialist support to equalities led frontline organisations and provide advice and training that support frontline organisations to deliver services in a way that is mindful of equalities considerations.

One point of clarity was raised. With regard to the previous equalities assessment there was a reference to 'increased preference for mainstream providers'. Officers would like to confirm as correct the assertion in one response that this relates to the move of funders towards more mainstream providers, not service users.

Whilst most responses focused on the current Priority four, issues regarding the other priorities were raised. In relation to the current Priority two, the current support services within this priority were discussed. These were felt to be vital in supporting frontline sexual and domestic violence organisations to deliver best quality services, through specialist training and sharing of good practice. In addition, currently the Ascent partnership which delivers against all six of the direct delivery domestic violence strands is coordinated by Women's Resource Centre (currently funded under the support element of Priority two). Similar views were shared about the current support element of the current Priority one. Other views about Priority one and two were shared such as the importance of gathering

monitoring information about LGBT service users accessing homelessness and sexual and domestic violence services.

2.2.3 Service Users/ individuals

Two thirds of service users/ individuals agreed with the equalities information provided by London Councils. Those that did not agree focused on similar issues to the VCS organisation responses, in terms of there being insufficient information on the impact of delivering a programme that did not have a priority focused on capacity building, in particular in terms of Deaf/disabled and BAMER organisations. It is worth noting that in terms of the current Priority four the service users of this service are frontline organisations and these responses are outlined in section 2.2.2 above.

2.2.4 Response to issues raised with regard to equalities information

In response to the issues above officers would like to draw members' attention to the following.

- a) In response to issues raised above more information is provided in **appendix four** with regard to the impact of funding a programme focused on sexual and domestic violence, homelessness and poverty and not funding a priority focused solely on capacity building in the third sector. This includes the level of reliance on London Councils funding of existing commissions and further details on services currently provided and outcomes achieved.
- b) In response to the issue that it is not clear whether equalities characteristics are incidental to or relevant to the accessing of specialist services, this is addressed through the further detail on commissions in **appendix four** (previously only short examples were provided) and through the fact that in section 2.2.2 and 2.3.2 current frontline VCS organisations have confirmed that they access specialist equalities services in a way that would not be possible/ relevant from mainstream provision.
- c) Information was provided in the previous consultation about the equalities categories represented by frontline organisations that received support from Priority four commissions. Further information has been provided on frontline organisations supported by current commissions.
- d) Equalities information is currently gathered on the nine protected characteristics as outlined in the Equality Act 2010. Further information could be gathered in the new programme if it was desirable. Only data that has been gathered to date can be presented.
- e) On a quarterly basis the current 24 funded commissions submit 297 separate figures in their reporting database as well as a progress report and case study. This includes

67 equalities fields and up to nine pieces of data for each of the 33 boroughs. To provide equalities information per borough this would increase data collected by an additional 2,211 figures each quarter. The same issue is relevant to why information is not presented related to the multiple equalities characteristics of an individual.

- f) It is important to keep in balance the level of monitoring data provided by projects ensuring this is proportional to the grant level and that data collection does not come at the expense of service delivery. It is also worth noting the resources available to review the data which is currently the full time equivalent of four staff.
- g) Whilst equalities information is not gathered on a borough basis (as detailed above), officers can provide boroughs with a list of frontline organisations currently supported in their borough on request which provides an indication on the types of equalities groups supported.
- h) Beneficiary information is not held in relation to Priority one and two. In many cases this would not be practical (for example callers to helplines). In particular with Priority two there are safety concerns in holding this data. The grant agreement with organisations outlines the expectations on data kept and this is checked and verified on monitoring visits.

2.3 Potential negative equalities impacts

The consultation asked respondents for further information on potential negative equalities impacts related to the position that Leaders' Committee was minded to take at its meeting 8 December 2015. A summary of the responses is provided below.

2.3.1 Borough responses

The majority of borough responses (68%) stated that they believed there would be negative equalities implications related to agreeing to fund a grants programme that did not contain a priority focused solely on capacity building in the third sector. These responses stated that there could be a negative/ disproportionate impact on organisations supporting people with the protected characteristics of age, race, religion, disability, sex, sexual orientation, and gender reassignment. Six responses outlined that equalities led organisations are often smaller and less well-resourced and therefore in greater need of capacity building and support with fundraising and adapting services. These groups are also disproportionately impacted further by welfare reform and reductions in available funding and a favouring of mainstream provision by funders. It was felt that the impact could be an increase in closures of voluntary organisations and reductions in quality of service and representation of views as a result of the end to networking opportunities. It was feared that this could influence other funders to withdraw from this area and the result would be an increased pressure on local authority resources.

Boroughs that did not feel that there was a disproportionately high impact on equalities groups highlighted the wider context of this decision which is being considered at a time of huge pressures on local authority budgets. That funding allocated to the grants scheme is at the expense of other services being delivered locally which also have equalities considerations. These responses (three responses) highlighted the positive equalities impact of the proposed three priorities and that using limited funds on the services that directly impact on people with the protected equalities characteristics was the best use of resources. Other responses stated that their capacity to make a judgement was impaired by insufficient data.

2.3.2 Voluntary and Community Sector (VCS)

The majority of VCS responses (91%) stated that they believed there would be negative equalities implications related a grants programme that did not contain a priority focused solely on capacity building in the third sector.

In relation to the currently funded commission delivered by Inclusion London responses outlined the following negative impact on Deaf/ disabled people. That 280 disability organisations representing 300,000 plus Deaf/disabled people will cease to receive capacity building support, reducing the organisations' ability to deliver essential services to disabled people or secure funding/ diversify funding streams for long term survival. Responses highlighted an increase in demand for these services in the context of reduced statutory services.

Responses also focused on the negative impact on black, Asian, minority ethnic, refugee (BAMER) VCS organisations. Responses stated that this sector had experienced significant losses in resources and financial support. Refugee communities were highlighted as an area associated with growing levels of need and disproportionately affected by other equalities issues such as mental health. Without Priority four it was felt that refugee community organisations would not have the capacity to participate in a range of government strategies including the Mayor of London refugee and migrant integration strategy.

The potential negative impact on older people was also highlighted. In 2014 there were 983,000 people in London are over the age of 65 years. Responses highlighted the increase in older people predicted over the coming years and the increase in social care needs putting pressure on local authority budgets. Without a priority focused on capacity building, it was felt that boroughs would have less effective support from the voluntary sector to meet this challenge. Many local older people's organisations are small and volunteer-led, often without paid staff and largely unfunded. In relation to children and young people responses highlighted the risks associated with VCS organisations moving into areas of delivery traditionally undertaken by local authorities and the role that capacity building support can provide such as through safeguarding training.

Responses also highlighted the role that Priority four currently plays in raising awareness of the needs of particular equalities groups and supporting the participation of various equalities groups in society and local decision making processes. This activity supports local authorities in their duty to undertake the key elements of the Equality Act 2010 in terms of challenging discrimination and advancing equality of opportunity. Responses highlighted the lack of funding opportunities for capacity building services, in particular with an equalities focus and the fact that this would be difficult and more costly to commission at a local level.

The majority of responses focused on the current Priority four. However, responses also highlighted issues related to the current Priority one and Priority two. For example, the vital

role that the support to sexual and domestic violence frontline organisations plays and that withdrawing from this would have a great impact on small BAME women's organisations. Frontline organisations were surveyed by Imkaan (funded under a partnership led by Women's Resource Centre) and all stated that they would not have been able to obtain the same kind and level of support elsewhere.

Other responses stated that there was not a fundamental negative impact given the equalities reach of the proposed three priorities. Nevertheless these responses stated the importance of building into the commissioning process strong safeguards relating to effective outreach and provision of accessibility support, for example interpretation support.

2.3.3 Service Users/ individuals

In response to this question twelve service users/ individuals did think that there would be negative equalities implications and seven did not. Responses included service users with hearing impairments and disabilities who outlined the importance of a strong disability led voluntary sector. Also highlighted was the potential impact on small BAME led organisations and it was felt that these would be further disadvantaged and compromised in their ability to compete for funding with larger mainstream providers. It is worth noting that in terms of the current Priority four, the service users that use these services are frontline organisations and these responses are outlined in section 2.3.2 above.

2.3.4 Other stakeholders (GLA, other funders)

Lloyds Foundation highlighted potential issues that could be caused by Leaders' Committee position including of a lack of support for organisations to grow and develop, as opposed to receiving money only for delivering services. The long term funding challenges means that charities are in more need than ever to be supported to make themselves more sustainable. The importance also of commissioning processes that support smaller equalities led organisations (such as encouragement of partnerships) was also emphasised. East London Housing Partnership emphasized the importance of linking the proposed Priority one and two to ensure that people with protected characteristics are not disadvantaged.

2.4 Mitigation

The consultation then asked respondents to consider what mitigation could be taken to address any potential negative impacts that they had highlighted. A summary of the responses is provided below.

2.4.1 Borough responses

Borough responses outlined a range of measures that could be used to mitigate potential negative impacts of the Leaders' Committee position. There were a range of suggestions that focused on the role that local authorities can play in supporting the mitigation of any potential negative impacts associated with the Leaders' Committee in principle position. Four boroughs emphasised the importance of boroughs assessing what the local impact would be and two stated that they could share their local impact assessments to support mitigation. Four boroughs also requested that London Councils share more information on the frontline organisations supported so that local authorities can play a part in assessing impact and addresses this locally.

Other responses focused on the transition for funded commissions. There were mixed views about whether funding should be allocated for a transition period. It was felt that given a decision would be made in March 2016 this would provide commissions with a year to develop their exit strategies and alternative funding. It was felt that London Councils and local authority officers could play a role in supporting this process.

Four boroughs highlighted the review into the future of infrastructure that London Funders are undertaking on behalf of City Bridge Trust. It was felt that the recommendations from this review could provide mitigation. Responses highlighted an expectation that the London Funders approach will seek out more cost effective and innovative ways of achieving key infrastructure outcomes. Responses highlighted the key strategic role that London Councils could play on behalf of the boroughs in the implementation of the review's recommendations. Responses stated that this role could potentially involve a limited funding contribution from the boroughs.

Other suggestions included improvements to the proposed three priorities, including involving service users in shaping these services, improving awareness of commissions funded and through ensuring the proposed priorities are focused on the equalities groups no longer being served through Priority four (such as older people). Another response

suggested reallocating funding from the current Priority four to provide capacity building support to the proposed three priorities.

2.4.2 Voluntary and Community Sector

The majority of responses from VCS organisations (70) stated that London Councils should mitigate the negative impact through continued funding to a priority focused solely on capacity building in the third sector. If resources were such that this priority had to be reduced then responses felt it should be focused on equalities related activity. It was felt that these services were best commissioned on a pan-London basis and were important in strategically addressing the specific and increased risks of discrimination, exclusion, poverty and isolation felt by equalities communities in particular Deaf and disabled people, as a result of welfare reform and reductions in funding to Local Authorities most notable social care. Responses also reiterated the desire to maintain the support elements of the current priorities one and two.

CVS support was felt to be an inadequate mitigation given that not all boroughs have CVSs now, support would have to be free/ heavily subsidised and would be generic not addressing the specific needs of equalities led organisations.

One response suggested that one way to maintain this area would be to fund support under priorities one, two and three and that direct consultation with local community, BAME and refugee organisations is essential if a cost-effective, sustainable solution is to be found.

2.4.3 Service Users/ individuals

Responses from service users and individuals largely echoed the responses of the VCS organisations in terms of supporting a future priority focused on capacity building.

Alternatively to re-allocate capacity building for defined/specific purposes and evidence based needs. One alternative suggestion was through creating a stream of funding that enables BAME infrastructure organisations to be sustainable over the medium term. It is worth noting that in terms of the current Priority four, the service users that access these services are frontline organisations and these responses are outlined in section 2.4.2 above.

2.4.4 Other stakeholders (GLA, other funders)

Lloyds Foundation reiterated the importance of commissioning processes that are flexible and accommodating of smaller organisations to support equalities objectives. East London Housing Partnership reiterated the importance of linking the proposed Priority one and two

and the importance of specialist provision with regard to funding of emergency refuge accommodation.

2.5 Additional sources of evidence

2.5.1 On 23 February 2016 London Councils delivered an event for borough officers and members focused on tackling sexual and domestic violence. The event focused on issues faced by the boroughs and how these can be addressed through shared responses, in particular with VCS partners. The following key issues were raised at the event which can also inform this paper in terms of the challenges around tackling domestic violence in London.

- There are currently significant gaps between available resources and levels of incidence. For example, there are now 156 IDVAs in London, able to see approx. 12,400 cases per year. However, in 2015 there were 146,695 reports of DV to the police in London. Gaps were also highlighted around ISVAs, specialist support for trafficked women and specialist emergency refuge.
- The sexual and domestic violence voluntary and community sector was seen to be under threat from reduced resources, increased demand and moves from funders towards more mainstream provision. Support to the sector was seen to be vital, as well as collaboration, and longer term funding.
- A link with housing was made and in particular the impact of the benefit cap and local housing allowance, which have also created a shift in DV cases being presented in outer London boroughs as victims move away from inner London. Move-on accommodation was felt to be a large issue with perpetrators sitting in tenancies. Women affected by domestic violence and exiting prison were a key group in need of support with housing to enable them to reconnect with children and prevent re-offending.
- It was felt services should be victim focused with strong levels of service user involvement, and that victims were not as interested in borough boundaries as policy makers.
- Early intervention and prevention both key

Appendix Two Borough response to Q1 - *“The statement above sets out the in principle position of Leaders’ Committee reached at its meeting on 8 December 2015. Do you support it?”*

Borough	Support for Leaders’ Committee position
Barking and Dagenham	Yes
Barnet	Unclear
Bexley	Yes
Brent	No
Bromley	Yes
Camden	No (supports a programme that includes a capacity building priority)
City of London	No (supports a programme that includes a capacity building priority)
Croydon	Yes
Ealing	Yes
Enfield	Yes
Greenwich	Yes
Hackney	Yes
Hammersmith and Fulham	Yes
Haringey	Yes
Harrow	Yes
Havering	Yes
Hillingdon	No (supports a programme that includes a capacity building priority)
Hounslow	Yes
Islington	Yes
Kensington and Chelsea	Yes
Kingston upon Thames	No (supports a programme that includes a capacity building priority)
Lambeth	Yes
Lewisham	Yes
Merton	Yes
Newham	No
Redbridge	Yes
Richmond upon Thames	Yes
Southwark	Yes
Sutton	Yes
Tower Hamlets	Yes
Waltham Forest	
Wandsworth	Yes
Westminster	Yes

Summary of borough responses

Response	Boroughs	%
Yes	25	76%
No	6	18%

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Unclear	2	6%
	33	100%

Appendix Three

List of organisations that responded to the consultation

Please note this list does not include survey forms that did not complete the field 'organisation name'. Please note that more than one response was received from some organisations.

Action Disability Kensington and Chelsea (Taking Control Project)
AdviceUK
Age UK London
Age UK Redbridge, Barking and Havering
Ashiana Network
Asian Women's Resource Centre
AVA
Barnardo's
Bharatiya Vidya Bhavan
Brent Mencap
Bromley Experts by Experience CIC (X by X)
Children England
Chinese Information and Advice Centre
City of London Corporation
Crisis
DeafLondon
Disability Advice Service Lambeth (DASL)
EACH Counselling and Support
East European Advice Centre
East London Housing Partnership
Enfield Saheli
Galop
Greater London Volunteering
Hammersmith and Fulham Volunteer Centre
HEAR
Homeless Link
Imkaan
Inclusion Barnet
Inclusion London
Independent
Iranian and Kurdish Women's Rights Organisation
Kings College London Students' Union
Lasa
Latin American Women's Rights Service (LAWRS)
Lloyds Bank Foundation
London Borough of Barking and Dagenham
London Borough of Barnet
London Borough of Bexley
London Borough of Brent
London Borough of Bromley
London Borough of Bromley
London Borough of Camden

London Borough of Croydon
London Borough of Ealing
London Borough of Enfield
London Borough of Hackney
London Borough of Hammersmith & Fulham
London Borough of Haringey
London Borough of Harrow
London Borough of Havering
London Borough of Hillingdon
London Borough of Hounslow
London Borough of Islington
London Borough of Islington
London Borough of Lambeth
London Borough of Lewisham
London Borough of Merton
London Borough of Newham
London Borough of Newham
London Borough of Redbridge
London Borough of Richmond upon Thames
London Borough of Southwark
London Borough of Sutton
London Borough of Tower Hamlets
London Borough of Wandsworth
London Councils Conservative Group
London Voluntary Service Councils
London Youth Gateway partnership
Mayor's Office for Policing and Crime (MOPAC)
Merton centre for Independent Living
New Horizon Youth Centre
Race Equality Foundation
Race on the Agenda
Redbridge Concern for Mental Health
Refugee Council
Renaissi
Richmond AID
Rights of Women
Royal Borough of Greenwich
Royal Borough of Kensington and Chelsea
Royal Borough of Kingston upon Thames
Rushey Green Time Bank
Shelter
Southall Black Sisters
St George's, University of London
Stonewall Housing
Tender Education & Arts
Transport for All
Unemployment Relief
Westminster City Council

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Wish
Woman's Trust
Women and Girls Network
Women's Resource Centre (WRC)
Working Chance

Appendix Four

Additional Equalities information

This report builds on the initial Grants Review consultation (July – October 2015), the previous report related to that consultation, considered by Grants Committee at their meeting, 18 November 2015, and provides a summary and response to the additional consultation (December 2015- January 2016). At each of these stages equalities information has been presented. The following is provided in addition to previously published information and provides supplementary information to address any gaps that were highlighted through the additional consultation. Also provided below is equalities monitoring information with regard to respondents to the consultation.

1. Further information on the impact of funding a grants programme that does not have a priority focused on capacity building

A number of consultation responses expressed a view that previous equalities information presented with the Grants Committee report in November 2015 and with the additional consultation (December 2015 – January 2015) did not sufficiently outline the impact of the new programme not having as a priority capacity building of the Third Sector. The following information addresses this issue by providing information on current commissions'

- reliance on London Councils funding
- delivery and outcomes to date
- frontline organisations supported

This information aims to provide more information on the potential equalities impacts of a new programme not having as a priority capacity building of the Third Sector, given the indirect impact on people with the protected characteristic that Priority Four commissions have provided. It is also worth noting that consultation responses provided information on the impact of the Leaders' Committee in principle position which is outlined in the body of this report in section two.

1.1 Reliance on London Councils funding

1.1.1 Table one provides information on commissions currently funded under Priority Four, including directly funded organisations and partners. The table outlines how much the current annual grant payments from London Councils represent as a percentage of the organisation's overall income. To calculate this officers have used the most recently supplied accounts (March 2015) or income information received from providers to source the total income level of the organisation. This was then compared to the amount of funding due to be paid to each partner according to the budget agreed with the lead partner. Officers have used this approach because the alternative method (comparing the total organisational

income to the total grant amount) does not present a clear representation of how much the organisation relies on London Councils funding as part of the total grant amount includes payments to partners.

Table one

	Commission	Grant amount as a percentage of income
lead partner	Advice UK	8%
Partner	Law Centres Federation	8%
Partner	LASA ₃	13%
lead partner	Age UK London	9%
Partner	Opening Doors London	Less than 1%
lead partner	Children England	21%
Partner	Race Equality Foundation	5%
Partner	Partnership for Young London	36%
lead partner	Inclusion London	31%
Partner	Transport for All	59%
lead partner	London Voluntary Service Council	20%
Partner	Race on the Agenda	18%
Partner	Women's Resource Centre ¹	18%
Partner	Refugees in Effective and Active Partnerships	33%
Partner	Lasa ²	13%
lead partner	Refugee Council	1%

1.1.2 Table one shows that a number of organisations are heavily reliant on funding from London Councils. London Councils uses a threshold of 25% as a due diligence test on lead organisations to ensure organisations are not overly reliant on London Councils funding. This test was undertaken at the start of the grant and annually. Officers have sought additional information from projects where the grant to income ratio exceeds 25% (such as a quarterly submission from the organisation's director of finance confirming the organisation's financial viability). The financial viability of the partners has been the responsibility of the lead partner to check. Whilst officers have encouraged organisations to put measures in

¹ Women's Resource Centre delivers under two projects therefore officers have used the combined sum of payments from both services to calculate the grant to income ratio.

² Lasa delivers in two partnership projects and therefore officers have used the combined sum of payments from both services to calculate the grant to income ratio.

place to ensure they are not overly reliant on London Councils funding it is also true that as alternative funding opportunities have reduced over this period, some organisations have become more reliant on London Councils funding.

1.1.3 London Councils, through its grants principles is a funder of outcomes and not organisations. Each funding cycle includes a competitive application process and current funding does not imply future funding. Notwithstanding this, in order to outline the impact of the new programme not having as a priority capacity building of the Third Sector, this table provides an indication of the potential impact to the current commissions should the opportunity to apply again for funding under such a priority not exist after March 2017. The table only provides an indication of reliance on London Councils funding and needs to be seen in the context of a number of factors including (1) the income levels relate to the year ending March 2015 and changes to funding may have happened since then (2) the table does not provide any indication on how sustainable the rest of the organisation's income streams are. A range of means to mitigate any negative impacts are detailed in this report, including the potential for London Councils to work with City Bridge Trust in relation to their future grant giving around infrastructure in London.

1.2 Current commissions' delivery and outcomes

1.2.1 Consultation responses stated that insufficient information had been provided to date on the impact of the new programme not having as a priority capacity building of the Third Sector and that this would benefit from further information on the services currently being provided and the impact these have had. Information is provided to Grants Committee on a quarterly basis and is provided in the report on performance on this agenda. This information includes delivery partners, activities delivered, a case study and outcomes achieved. In addition a review of commissions was undertaken in 2014 and considered by Grants Committee at their meeting 26 November 2014.

1.2.2 In addition to this some highlights from the quarter eleven (October – December 2015) reports from commissions are included below to provide more examples of delivery. Full quarterly reports are available to boroughs on request.

Advice UK

- Increase in organisational stability of agencies – Support to three organisations including Richmond Aid regarding submission of materials for quality standards.
- Organisations more successful in attracting resources - through one to one support to 18 organisations to develop funding applications.

- Increase in organisation's capacity leading to improved quality of advice services -
- Increased organisations' capacity leading to improved quality of advice services – assisting four organisations including The Black Women's Health & Family Support with one to one support to increase quality of advice services.
- Number of organisations reporting that they can better engage with statutory agencies and stakeholders - specific support to four organisations
- Organisations better able to network and engage, including with stakeholder networks/ partnerships and with statutory agencies
- Influence and improve the commissioning of advice services
- Increase in the awareness of voluntary advice agencies, to meet the advice and support needs of protected equalities groups including workshop facilitation at a consultation meeting of the Mayor's Refugee Advisory Panel (MRAP), Workshop on Equality Act; The Care Act 2014
- New partnerships created with equalities organisations

Age UK London

- Organisations gain skills in financial and organisational viability including skills to diversify funding streams and investigate becoming funding free - Practical fund bidding workshop, Free resources online workshop, Sustainability workshop, Getting your organisation online workshop
- Organisations with increased knowledge of best practice including legal and policy issues - Skill sharing workshop, Action learning workshop, Digital democracy workshop
- Services aware of the principles and practice of equality and inclusion - Equality learning and dissemination workshop
- The following briefings were circulated: London funding news, London Age periodical, Health and Social Care briefing, London Age Express, Councils briefing, Best practice briefings (Revolve), Good practice age equality sector update
- Individual support was provided to complete 6 grant applications, 9 corporate support opportunities were brokered, 5 organisations were paired with a social media volunteer
- 22 organisations took part in consultations
- 6 organisations contributed to the Age Equality Sector update

Children England

- Organisations with enhanced business plans and skills in place demonstrating that their services are more able to be effective and sustainable – two business planning workshops, one leadership workshop, social investment conference, one coaching skills for leaders workshop, one schools policy session, leadership in youth services session, business plans re. health agenda session, Mapping of Commissioning and Evidence Frameworks around Youth Services
- Organisations effectively engaged in regional representation structures and increased opportunities for engagement for equalities organisations – including a regional roundtable on the VCs role in CAMHS commissioning with Healthy London Partnership
- Organisations demonstrating that their services are better able to meet the needs of equalities groups – two safeguarding equalities events and one equalities and road safety event.

London Voluntary Service Council

- LVSC: LVSF Steering Group meeting, training events on building relationships with business plus masterclass, managing poor performance, dealing with change and engaging the private sector, redundancy and restructuring, Gender Recognition Act, trans awareness, monthly LVSC and London for All bulletins;
- Women's Resource Centre: fast track to successful fundraising, financial planning, Train the Trainer in Human Rights and Equalities Act. Financial and organisational management,
- LASA: Webinar - 'Using Digital Technologies in Community Health and Social Care Settings'; Delivery of ICT email/helpline throughout the quarter; Examples of sign-posting included – referring beneficiaries to technology Trust for access to low-cost software;
- HEAR: 3 bulletins sent to members covering consultation opportunities, training and support activities and member news. Training on designing and implementing equalities practice, managing change and effective involvement of service users, trans awareness, gender recognition and care act, working with LGBT communities and human rights
- ROTA: Two days Train the Trainer training on using the Equality Act 2010

Inclusion London

- One day strategic planning for business success training course

- Two day Effective project management training course for Deaf and disabled project workers wanting to develop their project management skills.
- Disability Equality Training : making your events accessible to Disabled people training course
- One day Building Your Brand training course and provided “1-2-1” social media support
- DDPO legal network meeting looking at Disabled people’s rights to accessible goods and services
- CEO meeting looking at issues DDPOs experience recruiting Deaf and Disabled people to senior roles within their organisations
- Pan-London Mobility forum meeting
- Policy and Campaigns forum meeting
- Three newsletters / bulletins and three capacity building support resources as well as IL and TFA web resource updates

The Refugee Council

- One-to-one advice and support sessions to eight migrant and refugee community organisations (MRCOs), in-depth capacity-building support to three MRCOs
- Issue of RCO Connect Newsletter – including refugee crisis and homelessness issue
- Three training sessions - income generation, fundraising, Equalities and Safeguarding Children and Young People from refugee and migrant background
- Networking opportunities
- Advocacy work through meetings and attendance to events.

1.3 Equalities focus of frontline organisations supported by current commissions under Priority four

1.3.1 A number of consultation responses expressed a view that information in the previous equalities assessment was not sufficient because it presented information on individuals accessing current Priority Four services rather than the equalities focus of frontline organisations supported. Information was presented on frontline organisations previously, however, the following table provides additional information to supplement information previously provided. Table two provides information on the numbers of frontline organisation supported with a particular equalities focus. Figures represent frontline organisations supported in the period April 2015 – December 2015. This provides members with information on the frontline organisations supported by current commissions and the indirect support this has on people with the protected characteristics under the Equality Act 2010. It can be used as an indication to the potential impact related to the Leaders’

Committee in principle position. This information is indicative given that each funding cycle operates with a competitive application process and commissions currently funded are due to end in March 2017.

Table two: Number of frontline organisations supported (by equalities characteristic) ³

Year/Commission	Organisations worked with	Race	Disability	Sex	Sexual Orientation
2015-17					
Advice UK	877	687	620	569	538
Age Concern London	537	93	69	20	7
Children England	2120	1304	719	462	345
London Voluntary Service Council (LVSC)	2231	758	709	598	531
The Refugee Council	678	642	65	91	4
Inclusion London	249	15	240	6	2

Table two continued

Year/Commission	Pregnancy/ Maternity	Marriage/ Civil Partnership	Age	Religion/ faith	Gender reassign ment
2015-17					
Advice UK	541	533	607	539	533
Age Concern London	6	5	230	41	6
Children England	387	302	1528	564	263
London Voluntary Service Council (LVSC)	514	511	686	660	510
The Refugee Council	1	3	133	43	
Inclusion London			18		

2. Equalities representation in the consultation

Finally it is important to ensure that a sufficiently diverse range of voices have been heard during the consultation process.

³ (The dataset used was found to contain errors (duplicates). Therefore a random sampling of the dataset was analysed and used to estimate the error rate. A comfortable margin was added to the error rate and this was then used to adjust(reduce) the final results accordingly))

The following list provides information on the number of consultation responses against each of the protected characteristics under the Equality Act 2010.

1. Age – of the 66 respondents on this question, 3% were under 24 years and 17 % were over 55 years old. In addition a number of organisations that reflect the issues of older people and children and young people submitted responses including, Children England, Age UK London, New Horizon Youth Centre and Tender Education & Arts amongst others.
2. Disability - 19 respondents identified themselves as having a disability. In addition a number of disability and Deaf related organisations submitted responses including Action Disability Kensington and Chelsea (Taking Control Project), Inclusion London and DeafLondon amongst others.
3. Race – of the 74 respondents on this question 49% of responses were from White British people, 47% of responses were from BAME categories. In addition responses were received from organisations with a BAME/ race focus including Southall Black Sisters, Imkaan, Race on the Agenda, Refugee Council and Race Equality Foundation amongst others.
4. Sex – of the 74 respondents that answered the question on sex 69% of respondents were women. In addition a number of organisations focusing on violence against women and girls submitted responses such as Southall Black Sisters, Imkaan, Women's Resource Centre and Women and Girls Network amongst others.
5. Sexuality – of the 67 respondents that answered 61% heterosexual, 6% from bisexual people, 9 % from gay men, 12 % from lesbians; 12 % of respondents other/ preferred not to say. In addition organisations representing LGBT issues submitted responses such as Stonewall Housing.
6. Religion and belief – of the 58 respondents that answered 64% stated that they had a religion or belief.
7. Gender reassignment – a number of responses highlighted issues related to gender reassignment, such as the fact that this group is more at risk of sexual and domestic violence.
8. Pregnancy/ maternity – of the 62 respondents 3% stated that they had pregnancy/ maternity issues
9. Marriage/ Civil partnership – of the 63 respondents, 18 stated that they were single, 18 were married/ civil partners and 22 living with a partner, 5 other.



Evidencing Changes in Homelessness Need in London

Between 2013 and 2015

1.0 INTRODUCTION

1.1 Background to the work and overall aims

In December 2015 London Councils Leaders' Committee made an in principle position to continue funding a priority area focused on tackling homelessness. As part of this review London Councils Leaders' Committee and Grants Committee have outlined a need for further evidence on homelessness need in London to enable them to make a decision on the priorities for the period beyond 2017.

The overall aim of the work is to increase understanding of homelessness across London. It seeks to do this by establishing what evidence exists on the changing incidence and nature of homelessness in London between 2013-2015. The work highlights differences in the impact of these changes in relation to inner and outer London areas and protected equalities groups. It also explores possible links between homelessness and unemployment.

The work will be submitted to London Councils Grants Committee and Leaders' Committee in March 2016 and will be considered alongside other information including previous consultation findings (July-October 2015), and additional consultation results (December 2015-January 2016). The review will inform London Councils' decisions on any future budget and allocation of resources to projects that deliver the agreed priorities.

1.2 Elements of the work

The work has involved the following:

- Analysis of data in relation to rough sleeping and statutory homelessness between 2013-2015
- Desk-based research in relation to recent policy and funding changes
- Qualitative research in the form of semi-structured interviews with stakeholders representing London Councils, Homeless Link, one inner and two outer London boroughs.

1.2.1 Methodology and clarification of definitions

Rough sleeping: numbers of people rough sleeping are monitored via the Combined Homelessness and Information Network (CHAIN) database. Quarterly CHAIN data for 2013 is available for most inner London boroughs, but not for outer London boroughs. Bi-monthly data relating to the period July-December 2013 is available for all inner and outer London boroughs. In 2014 reporting changed to a quarterly basis and full data is available for all London boroughs for 2014 and 2015. As the report seeks to compare the incidence of rough sleeping between 2013-2015 data has been utilised relating to two six-month periods: July-December 2013 and July-December 2015.

Rough sleeping hotspots: for the purposes of this report these are defined as boroughs experiencing an increase in rough sleeping numbers of at least 50% between 2013 and 2015. This should be distinguished from an Area of High Rough Sleeping, which is an area with a rough sleeping count of above 20 such as Westminster.

Statutory homelessness: figures for the final quarter of 2015 were not available at the time of writing this report. To enable a full year comparison to be made between 2013-2015 a figure for the final quarter of 2015 has been extrapolated from the previous three quarters of 2015.

2.0 EXECUTIVE SUMMARY

Data indicates that overall levels of statutory homelessness and rough sleeping increased across London between 2013-2015. Anecdotal evidence from stakeholders suggests that other forms of single homelessness are also rising. However, lack of relevant data means it is currently not possible to quantify increases in these areas.

Stakeholder feedback and secondary research indicate that increases in homelessness are likely to be the outcome of a number of funding and policy changes. The most important change identified by stakeholders is restrictions placed on Local Housing Allowance (LHA) rates since 2011. These mean that LHA is not keeping pace with actual market rents and this is significantly decreasing accessibility and affordability of private rented sector (PRS) accommodation for homeless and low-income households. However, broader London housing market conditions - rapidly rising rents and high demand for the PRS - are also considered to be a significant driver of increasing homelessness. The extension of the Shared Accommodation Rate (SAR) from 25 to 35 years old has led to an increasing number of vulnerable single homeless people living in shared accommodation, but there is insufficient tenancy support available for this group, which can lead to them losing their accommodation.

In relation to rough sleeping recent changes to welfare benefits entitlements may be increasing the incidence of rough sleeping amongst Central and Eastern European nationals.

Data relating to statutory homelessness and rough sleeping indicates that homelessness is increasing more rapidly in outer than inner London areas. Stakeholder feedback and secondary research suggests a displacement of statutory homeless households into less expensive outer London areas. However, this movement may be inflating rents in outer London areas, taking them further above LHA levels. There is a risk of tenancy failure and subsequent homelessness for vulnerable households in outer London where relevant information is not shared between the referring and receiving boroughs.

The comparatively large geographical area of outer London boroughs and less intensive outreach coverage mean that CHAIN figures may be under-reporting the full extent of rough sleeping in these areas. In addition, it is difficult for outer London boroughs to respond effectively to higher levels of rough sleeping as central Government grant settlements are often based on historically lower levels of need.

Lack of available data means it can be difficult to fully assess changes in homelessness within particular equalities groups. The proposed reduction in the Benefit Cap is likely to disproportionately impact on larger BAME and refugee families. The extension of SAR disproportionately impacts on younger people. It is understood there are increasing numbers of young people in the non-statutory and rough sleeping population. The number of homeless women has also increased and this may be related to cuts in women-specific services.

Stakeholder feedback indicates it is likely there is a strong link between individuals' homelessness and unemployment, but this relationship is less easy to evidence in terms of geographical areas. There is a trend towards higher levels of employment within the statutory homeless population, which may be linked to the functioning of the Benefit Cap and/or individual boroughs' prioritisation of people in work within their Housing Allocations Policies. However, stakeholders also noted a strong trend in homelessness applications being made by low-waged households. This is likely to be also a result of London housing market conditions.

3.0 DETAILED FINDINGS

3.1 Findings from data on rough sleeping and statutory homelessness provided by London Councils

This section utilises data supplied by London Councils relating to rough sleeping and statutory homelessness. Additional CHAIN data has been sourced via desk-top research.

3.1.1 Rough sleeping figures

Findings in this section utilise data from CHAIN reports relating to the period 2013 – 2015¹ and street counts carried out in 2013 and 2014.

The table below sets out changes in rough sleeping across inner and outer London boroughs between 2013 and 2015 as indicated by CHAIN. Hotspots are indicated in red.

Table 1: CHAIN rough sleeping figures, 2013 and 2015

Borough ²	2013 (Jul – Dec)	2015 (Jul – Dec)	Change (%)
Camden	345	465	120 (35%)
City of London	275	329	54 (20%)
Greenwich	32	64	32 (100%)
Hackney	92	84	-8 (-9%)
Hammersmith & Fulham	105	137	32 (30%)
Islington	100	107	7 (7%)
Kensington & Chelsea	119	168	49 (41%)
Lambeth	313	276	-37 (-12%)
Lewisham	85	73	-12 (-14%)
Southwark	294	261	-33 (-11%)
Tower Hamlets	193	262	69 (36%)
Wandsworth	31	66	35 (113%)
Westminster	1866	2058	192 (10%)
Inner London total	3850	4350	500 (13%)
Barking & Dagenham	8	12	4 (50%)
Barnet	26	42	16 (62%)
Bexley	7	14	7 (100%)
Brent	179	133	-46 (-26%)
Bromley	31	34	3 (10%)
Croydon	97	117	20 (21%)
Ealing	205	208	3 (1%)
Enfield	58	70	12 (21%)

¹ These are available at: <http://data.london.gov.uk/dataset/chain-reports> and <http://www.mungos.org/chain>.

² Boroughs are categorised using the London Councils designation.

Haringey	49	86	37 (76%)
Harrow	36	38	2 (6%)
Havering	5	6	1 (20%)
Hillingdon³	121	170	49 (40%)
Hounslow	93	144	51 (55%)
Kingston	8	16	8 (100%)
Merton	17	26	9 (53%)
Newham	113	168	55 (49%)
Redbridge	51	193	142 (278%)
Richmond	70	92	22 (31%)
Sutton	10	18	8 (80%)
Waltham Forest	49	67	18 (37%)
Outer London total	1233	1654	421 (34%)

Table 2: Street count hotspots

Borough	2013	2014	Change (%)
Greenwich	1	16	15 (1500%)
Westminster	140	265	125 (89%)
Barking	0	4	4 (400%)
Bexley	3	7	3 (75%)
Brent	6	11	5 (83%)
Enfield	5	8	3 (60%)
Havering	2	8	300%
Hounslow	17	32	15 (88%)
Sutton	0	8	8 (700%)
Waltham Forest	3	10	7 (233%)

CHAIN and street count data indicate an increase in the level of overall numbers of rough sleepers in inner and outer London during the period. CHAIN indicates a pan-London increase of 18%. Street count figures show a pan-London increase of 37%.

CHAIN data indicates the increase in overall rough sleeping has been higher in outer London (34%) than inner London areas (13%). Street count data suggests that rough sleeping has risen more quickly in inner London boroughs (51% inner, 17% outer). This difference may reflect the street count methodology.⁴

Aside from Westminster the picture in inner London is of relatively moderate growth in rough sleeping. Outer London saw large increases across many boroughs. It is also notable that four inner London boroughs (Hackney, Lambeth, Lewisham and Southwark) experienced decreases between 2013 and 2015.

Street count data indicates hotspots in inner London as being Greenwich and Westminster and a number of hotspots in outer London.

In terms of distribution of rough sleeping CHAIN indicates that the share for outer London has increased between 2013 and 2015 - from 24% - 28% of the total. This is based on 2013 figures of 3850 and 1233 for inner/outer London and 2015 figures of 4350 and 1654 for inner/outer London.

³ This is a combined figure for Hillingdon and Heathrow

⁴ Street counts are a snapshot of rough sleepers identified on a given night. It is acknowledged that street counts in inner London are better resourced than in outer London boroughs and are therefore likely to find higher numbers of rough sleepers.

3.1.2 Ethnicity of rough sleepers

CHAIN ethnicity data indicates that between 2013-2015 there has been a slight decrease in the proportion of UK nationals within the rough sleeper population (48% - 42%) and increase in the proportion of CEE nationals (29% - 36%). The proportions of other ethnic groups: Africans, Asians, Australasians, Irish and other Europeans remained fairly stable over the period.

CHAIN annual report data for 2013/14 and 2014/15 indicates that during this period the vast majority of rough sleepers (87%) were men. The majority of rough sleepers (79%) were between 26 and 55.

CHAIN annual report data indicates that in 2013/14 and 2014/15 the most common last settled base before rough sleeping was in the private rented sector (42% of total). The most frequently stated reason for leaving in 2014/15 was 'being asked to leave' (15.7%), followed by eviction – most commonly for arrears (7.4% of the total). In total, evictions and being asked to leave accounted for 30% of rough sleepers – this figure was unchanged from the previous year.

3.1.3 Statutory homelessness

Findings in this section utilise data supplied by London Councils for 2013 - 2015. Hotspots are indicated in red.

Table 3: Statutory homelessness applications, 2013 and 2015

Borough	2013 total	2015 total	Change (%)
Camden	127	83	-44 (-35%)
City of London	21	57	36 (173%)
Greenwich	333	585	252 (76%)
Hackney	1391	1572	181 (13%)
Hammersmith & Fulham	488	604	116 (24%)
Islington	980	841	-139 (-14%)
Kensington & Chelsea	1404	1225	-179 (-13%)
Lambeth	946	636	-310 (-33%)
Lewisham	883	1161	278 (32%)
Southwark	946	1808	862 (91%)
Tower Hamlets	811	747	-64 (-8%)
Wandsworth	1237	1261	24 (2%)
Westminster	1218	1000	-218 (-18%)
Inner London total	10785	11581	7%
Barking & Dagenham	1675	1707	32 (2%)
Barnet	1090	777	-313 (-29%)
Bexley	565	648	83 (15%)
Brent	1089	1497	408 (37%)
Bromley	1143	857	-286 (-25%)
Croydon	2394	1405	-989 (-41%)
Ealing	1254	1599	345 (27%)
Enfield	797	1271	474 (59%)
Haringey	1109	947	-162 (-15%)
Harrow	385	555	170 (44%)
Havering	780	924	144 (18%)

Hillingdon	489	547	58 (12%)
Hounslow	882	408	-474 (-54%)
Kingston	382	317	-65 (-17%)
Merton	228	379	151 (66%)
Newham	3253	1516	-1737 (-53%)
Redbridge	1109	1109	0 (0%)
Richmond	544	396	-148 (-27%)
Sutton	316	459	143 (45%)
Waltham Forest	1915	2005	90 (5%)
Outer London total	21399	19323	-2076

Data relating to homelessness applications between 2013-15 indicates a decrease across London of 4%. Applications in inner London increased by approximately 7%, but decreased in outer London boroughs by approximately 10%.

In terms of distribution, in 2013 the majority of homelessness applications (66.5%) were made in outer London boroughs. In 2015 the division of applications was inner London 37.5% and outer London 62.5%.

Inner London hotspots included: City of London (+173%), Greenwich (+76%) and Southwark (+91%). Hotspots in outer London included: Merton (+66%) and Enfield (+59%).

Table 4: Statutory homelessness acceptances, 2013 and 2015

Borough	2013 total	2015 total	Change (%)
Camden	92	49	-43 (-46%)
City of London	12	41	29 (244%)
Greenwich	204	415	211 (103%)
Hackney	790	1104	314 (40%)
Hammersmith & Fulham	369	441	72 (20%)
Islington	418	365	-53 (13%)
Kensington & Chelsea	548	519	-29 (-5%)
Lambeth	697	429	-268 (-38%)
Lewisham	709	635	-74 (-10%)
Southwark	574	829	255 (44%)
Tower Hamlets	524	576	52 (10%)
Wandsworth	735	908	173 (24%)
Westminster	773	639	-134 (-17%)
Inner London total	6445	6951	506
Barking & Dagenham	880	936	56 (6%)
Barnet	692	469	-223 (-32%)
Bexley	390	437	47 (12%)
Brent	638	700	62 (10%)
Bromley	527	563	36 (7%)
Croydon	765	825	60 (8%)
Ealing	567	752	185 (33%)
Enfield	580	1004	424 (73%)
Haringey	760	663	-97 (-13%)
Harrow	157	380	223 (142%)
Havering	160	352	192 (120%)
Hillingdon	217	293	76 (35%)

Hounslow	645	331	-314 (-49%)
Kingston	178	193	15 (9%)
Merton	92	160	68 (74%)
Newham	1629	860	-769 (-47%)
Redbridge	472	513	41 (9%)
Richmond	331	232	-99 (-30%)
Sutton	181	327	146 (80%)
Waltham Forest	845	1052	207 (24%)
Outer London total	10706	11043	337

Data relating to homelessness acceptances indicates an overall increase of approximately 5%. This increase was higher in inner London (8%) than outer London (3%). Inner London hotspots included: City of London (+244%) and Greenwich (+103%). Hotspots in outer London included: Harrow (+142%), Havering (+120%), Sutton (+80%), Merton (74%) and Ealing (73%).

In terms of distribution the majority of acceptances were in outer London. In 2013 this represented a share of 62.5%. In 2015 this decreased slightly to 61.5%.

Data relating to temporary accommodation indicates an increase in placements across London of 19% between 2013-2015. Increases were higher in outer London (20%) than inner London (16%). Hotspots in inner London included: City of London (+77%), Greenwich (+78%) and Wandsworth (+68%). Outer London hotspots included: Bexley (+59%), Ealing (+68%) and Waltham Forest (+55%).

The distribution of TA placements remained fairly constant during the period at around inner London 35%/outer London 65%. Overall, London has 50,490 households in TA; this represents 74% of the national figure which stands at 68,850.

Data relating to homelessness prevention⁵ for 2013 and 2014 indicates an increase across London of 11%. The average inner London increase during this period was 9%, whilst in outer London it was approximately 12%. Inner London areas experiencing significant increases in prevention included: Hackney (+54%) and Lewisham (+269%). In outer London this included Redbridge (+127%).

Homelessness prevention decreased significantly in a number of boroughs, including: City (-41%), Wandsworth (-38%), Enfield (-67%) and Hounslow (-62%).

The majority of homelessness prevention (62%) took place in outer London boroughs in both 2013 and 2014.

Data relating to homelessness relief⁶ for 2013-2014 indicates a significant increase across London of 43%. This includes a 28% decrease in inner London, but increase of just under 60% in outer London boroughs. Decreases in homelessness relief occurred in the majority of inner London boroughs. Homelessness relief increased significantly in some outer London hotspots, including: Barking & Dagenham (+231%), Bexley (+400%) and Waltham Forest (+236%).

⁵ 'Homelessness prevention' means providing people with the ways and means to address their housing and other needs to avoid homelessness.

⁶ 'Homelessness relief' is where an authority has been unable to prevent homelessness but helps someone to secure accommodation, even though the authority is under no statutory obligation to do so. <https://www.gov.uk/guidance/homelessness-data-notes-and-definitions>

Homeless relief was much more prevalent in outer London boroughs and the share of this increased between 2013-14 from 81% to 90.5% of the total.

3.1.4 Data relating to unemployment

Unemployment data for 2012-2014 indicates an overall reduction in unemployment across London of 21% (83,900 people). During this period unemployment in inner London fell by 19% (29,000 people) and in outer London by almost 22% (54,900 people). The share of unemployment between inner and outer London remained fairly stable at approximately 38%/62%. The highest percentage decreases in inner London were in: Lambeth (-25%), Lewisham (-31%) and Hammersmith & Fulham (-24%). The highest decreases in outer London were in: Brent (-28%), Croydon (-29%), Ealing (-28%), Harrow (-28%), Havering (-27%) and Newham (-27%).

3.2 The policy context

A number of recent and proposed legislative and funding changes are likely to reduce the overall amount of affordable housing available to homeless people and impact on homelessness in London. These changes are outlined below, along with additional relevant data sourced via desk-top research.

3.2.1 Changes to Local Housing Allowance (LHA)

LHA is a means of calculating Housing Benefit (HB) for tenants in the deregulated private rented sector (PRS). In April 2011 the basis for setting LHA rates changed from the median (50th) to the 30th percentile of local market rents. Since April 2013 increases in LHA rates have been restricted to increases in the Consumer Price Index (CPI) inflation.⁷ In 2014/15 and 2015/16 LHA rates have been uplifted by 1%. In Budget 2015 Government announced that LHA rates would be frozen for four years from April 2016.

The Shared Accommodation Rate (SAR) limits the amount of Housing Benefit which can be claimed to that for renting a single room in a shared house. This previously applied to people under 25, but since April 2012 has been extended to people under 35.

A 2014 report for DWP on the impact of recent reforms to LHA⁸ notes a pattern of change in overall Housing Benefit (HB) claims in London, with a decrease in the London Centre area and increase in London Cosmopolitan areas and London Suburbs between the quarter before the [2011] reforms began and June/August 2013.⁹ Existing LHA claimants (i.e.: at January 2011) had a greater average reduction in entitlement in given property types than in the UK as a whole, with the majority of this reduction (74%) being incident on tenants. Analysis of moves made by LHA claimants at local authority level indicated a 'distinct ripple effect' from central London and London Cosmopolitan areas to neighbouring districts. The report also notes a significantly greater proportion of landlords with property in London seeking to reduce lets to LHA tenants and planning to exit the LHA sub-market, with over a quarter of stakeholders surveyed stating they had taken actions (non-renewal or cessation of a tenancy or eviction) against tenants specifically because of the effects of LHA reforms.

⁷ Savage, M (2013), *Equality Analysis for Housing Benefit: Up-rating Local Housing Allowance by 1 per cent and the Targeted Affordability Funding*. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/262034/lha-uprating-equality-analysis.pdf

⁸ DWP (July 2014), *The impact of recent reforms to Local Housing Allowances: Summary of key findings*. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/329902/rr874-lha-impact-of-recent-reforms-summary.pdf

⁹ London Centre includes: Camden, City of London, Hammersmith and Fulham, Islington, Kensington and Chelsea, Tower Hamlets, Wandsworth and Westminster. London Cosmopolitan includes: Brent, Hackney, Haringey, Lambeth, Lewisham, Newham and Southwark.

The report also notes the number of households giving the end of an Assured Shorthold Tenancy¹⁰ (AST) as the main reason for homelessness almost doubled between 2011 and 2013, with 59% of this increase being attributed to London.

A 2013 report for DWP notes a range of issues related to LHA which are affecting affordability in the PRS. These include: lack of rent regulation, especially at the lower end of the market, insufficient supply of social and affordable housing increasing demand in the PRS, lack of one-bed supply in the PRS and the increasing unwillingness of landlords to rent to benefit claimants. LHA claimants in work have difficulty in moving to more affordable areas, especially where shift patterns and unsociable hours mean they need to be near their workplaces.¹¹

The report also notes respondents' view that it is difficult to accurately calculate SAR, meaning that local rates are not representative of market rents and that in practice a third of the market is not available. Young people on low incomes are particularly affected by LHA changes as they have to compete with students and young professionals for accommodation and because of their comparatively low priority for housing from local authorities.

Data collated by London's Poverty Profile indicates a geographical shift in HB claimants within London: in 2010 just under half of claimants lived in Outer London (48%), whilst in 2015 this had risen to just over half (51%). There have also been changes within sub-regional areas: since 2013 HB claims have dropped by 4.4% in inner London, in Outer East, Northeast and Outer South by 3%, but only by 0.6% in Outer West and Northwest London.¹² This may suggest a displacement of population in response to the 2011 LHA changes and the Benefit Cap.

A report for DWP in 2013 in relation to the limitation of annual LHA uprating to 1% in 2014/15 and 2015/16 finds no direct impact on gender, but a disproportionate impact on single women because of their representation levels in the HB caseloads. The policy may also disproportionately impact on some disabled people, because of the difficulties they face in finding an alternative PRS tenancy and on some larger BAME families.

3.2.2 Reduction in the Benefit Cap

This measure is contained within the Welfare Reform and Work Bill 2015. It sets a limit on the total amount in benefits that most working-age people can claim. At present this is set at: £500 pw (£26,000 pa) for households with children and £350 pw (£18,200 pa) for single people. The reduction is due to take effect in April 2016 and will reduce the total amount a household can claim to £442 per week (£23,000 pa) in London for couples and lone parents and £296 (£15,410 pa) for single households.¹³

Evidence from London's Poverty Profile indicates that the Benefit Cap has disproportionately impacted on London as a whole. In 2015, the number of cap-affected families in London (10,500) was almost as many as in the rest of England put together. In London, about a third of families were up to £25 a week worse off, whilst 2,400 families lost more than £100 per week. Around 1,000 single adult households in London were affected.¹⁴

¹⁰ The assured shorthold tenancy is the default legal category of residential tenancy in England and Wales. It is a form of assured tenancy with limited security of tenure, which was introduced by the Housing Act 1988

¹¹ DWP (December 2013), *Local Housing Allowance Targeted Affordability Funding. Outcome of the call for evidence.* https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/262080/lha-call-for-evidence-response.pdf

¹² London's Poverty Profile (2015). 'Housing benefit claimants in London.' <http://www.londonpovertyprofile.org.uk/indicators/topics/receiving-non-work-benefits/housing-benefit-caseload>. This utilises P1E data.

¹³ <http://www.cpag.org.uk/content/welfare-reform-and-work-bill-2015>

¹⁴ London's Poverty Profile (2015). 'Families affected by the overall benefit cap'.

Government briefing information from 2015 indicates that most cap-affected households in London were larger families and/or lived in a high-rent area.¹⁵

3.2.3 Application of LHA rates to social and supported housing

This measure was announced in the Comprehensive Spending Review 2015. It proposes to include social housing, including supported housing, within the LHA framework. The new rules would apply to new tenancies from April 2016, although the LHA rate of Housing Benefit entitlement would not apply until 2018.¹⁶ Because of staffing costs, supported housing, including schemes directed at previously homeless households, is particularly vulnerable to such cuts in income. If support services are withdrawn, more people will inevitably end up on the streets.

Homeless Link is currently gathering evidence about the likely impacts of this change. Latest information (based on responses from 21 organisations) indicates that annual shortfalls are likely across supported accommodation types, ranging from £300 to £13,000 per bed space per annum on current evidence.¹⁷

3.2.4 Reduction in social housing rents

This measure is contained in the Welfare Reform and Work Bill 2015. From April 2016 social housing providers are required to put in place a 1% year on year reduction in their rents for the next four years.

This measure was originally intended to include supported housing. However, in January 2016 Government announced that supported housing will be exempted for one year.¹⁸

3.2.5 Extension of Right to Buy in social housing

This measure is contained in the Housing and Planning Bill 2015. Part 4 of the Bill sets out provisions to extend Right to Buy to housing association tenants and the forced sale of vacant high value social housing owned by councils. There is a risk that this may further reduce the supply of affordable housing in London, especially in expensive areas.

3.3 Data relating to protected equalities groups

This section highlights evidence of homelessness need in relation to protected equalities groups in recently published research (2012 onwards).

3.3.1 Young People

Crisis's 2015 briefing on homelessness notes that young people are at particular risk of becoming homeless and that rough sleeping among young people doubled between 2009–2014.¹⁹ Referencing *The Homelessness Monitor* the briefing highlights that 8% of 16–24 year olds report having recently been homeless.²⁰

<http://www.londonspovertyprofile.org.uk/indicators/topics/receiving-non-work-benefits/families-affected-by-the-overall-benefit-cap/>

¹⁵ House of Commons Library (2015), *The Benefit Cap*. Briefing paper number 06294.
<http://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN06294#fullreport>

¹⁶ <http://www.homeless.org.uk/connect/blogs/2015/dec/17/proposed-extension-of-lha-to-registered-providers>

¹⁷ <http://www.homeless.org.uk/connect/blogs/2016/jan/26/capping-of-social-housing-rents-what-impact-will-it-have-on-your-service>.

¹⁸ <http://www.homeless.org.uk/connect/blogs/2016/jan/28/government-confirms-1-rent-reduction-will-not-apply-to-supported-housing>

Homeless Link's 2015 report into youth homelessness notes that nearly half of temporary accommodation residents are young people aged 16–24. There is a contrast between voluntary sector homelessness providers, who are accommodating more young homeless people and local authorities, who are seeing fewer. This suggests that statutory homelessness has been off-set by other forms of homelessness. The leading cause of homelessness continues to be parents or carers no longer willing to accommodate. The report also notes a rising proportion of young women in homelessness services compared to the 2014 survey (46%, up 6%).²¹

3.3.2 Women

Homeless Link's 2015 research briefing notes that around 30% of people using homeless accommodation services are women. This increases to 46% in youth homelessness services, of which 5% are pregnant or young parents. These figures are likely to be an under-representation as women are more likely to be hidden homeless than men.²² Referencing St Mungo's *Rebuilding Shattered Lives* report the briefing notes that homeless women are more likely to have complex needs, which make recovery from homelessness more challenging.²³ Referencing a 2014 report by Crisis the briefing notes that a higher proportion of homeless women have a diagnosed mental health problem and/or self-harm than men.²⁴ In Homeless Link's youth homelessness report experience of sexual abuse and/or assault was heavily concentrated among female respondents.

Commonweal's report notes that women make up a growing proportion of the homeless population.²⁵ Homeless women have differing needs to homeless men, e.g.: many have experienced domestic violence and have had their children adopted or taken into care. Referencing Homeless Link's 2013 SNAP report it notes that women recover more quickly in women-only services, but that the proportion of these services has decreased from 12% - 8% between 2012-13.²⁶ This is likely to further increase homelessness.

A 2012 report on women rough sleepers who are victims of domestic abuse noted that over half of participants in the research had problems relating to mental health, drug and/or alcohol misuse and that around a third had

¹⁹ Crisis (2015), *About homelessness*.

www.crisis.org.uk/data/files/publications/Homelessness%20briefing%202015%20EXTERNAL.pdf

²⁰ Heriot Watt University and the University of York (2013), *The Homelessness Monitor*.

<http://www.crisis.org.uk/data/files/publications/HomelessnessMonitorEngland2013.pdf>

²¹ Homeless Link (2015), *Young & Homeless 2015*. www.homeless.org.uk/sites/default/files/site-attachments/201512%20-%20Young%20and%20Homeless%20-%20Full%20Report.pdf. This is the fifth annual report. Findings are based on two surveys with voluntary sector homeless providers and local authorities. This report is based on 257 responses.

²² Homeless Link (2015), *Women and homelessness*. <http://www.homeless.org.uk/sites/default/files/site-attachments/Homeless%20Link%20-%20women%20and%20homelessness%20briefing.pdf>

²³ St Mungo's (2013), *Re-building shattered lives: the final report*. <http://www.mungos.org/documents/4752/4752.pdf>. Findings are based on contributions from 221 individuals, services and organisations and 60 in-depth interviews with women using St Mungo's services.

²⁴ Mackie, P and Thomas, (2014), *Nations Apart? Experiences of single homeless people across Great Britain*. <http://www.crisis.org.uk/data/files/publications/NationsApart.pdf> This is based on a survey of 480 homeless people.

²⁵ Commonweal (undated), *Rough Justice: uncovering social policies that cause homelessness*. <http://www.commonwealhousing.org.uk/read-the-newly-launched-rough-justice-report-here>. This report consists of views of sector experts. The chapter on women's homelessness is authored by Howard Sinclair, Chief Executive of St Mungo's.

²⁶ Homeless Link (2013) *Survey of needs and provision 2013* http://homeless.org.uk/sites/default/files/SNAP%202013%20Final%20180413_2.pdf

been in trouble with the police. It recommends additional women-only services and better access to employment, training and education for this group.²⁷

3.3.3 Lesbian, Gay Bi-Sexual and Transgender (LGBT)

Albert Kennedy Trust's 2015 report notes that LGBT young people are more likely to find themselves homeless than their non-LGBT peers and comprise up to 24% of the youth homeless population. There is a lack of specialised accommodation options for LGBT people and they are also at significantly increased risk of experiences linked to homelessness, including: parental rejection, physical, sexual and emotional abuse and familial violence.²⁸

3.3.4 Black, Asian, Minority Ethnic and Refugee (BAMER)

A 2014 report for Centre for Social Justice and Change notes the impact of recent Welfare Reform changes on refugee families in London. Tougher sanctions and conditionality make access to welfare benefits, especially for refugees with limited knowledge of English, more difficult. The introduction of the Benefit Cap in particular has decreased disposable income and makes accommodation in London less affordable. This in turn may impact on refugees' employment/employability and physical/mental health.²⁹

A report by the East European Advice Centre in 2013, based on a survey and focus groups with 512 people, indicates that Eastern Europeans are disproportionately represented in the rental market (83% against the London average of 49%), with the vast majority of these being in the PRS. 80% of the participants were in employment, with a low level of benefits dependency. Older Eastern Europeans may be disadvantaged in the job market because of their lack of knowledge of English.³⁰

3.4 Feedback from stakeholders on homelessness/emerging needs and policy areas which are of concern

This section sets out the main themes and areas of consensus from qualitative interviews held with six stakeholders: London Councils Executive member for housing, Chair of London Housing Directors Group and Homeless Link's Policy Manager – who gave a pan-London perspective; representatives from one inner and two outer London boroughs.

Stakeholders were asked to comment on: recent trends in homelessness and emerging homelessness needs in London, the impact of Welfare Reform and other recent/forthcoming funding and policy changes and possible links between homelessness and unemployment.

²⁷ Moss, K and Singh, P (2012), *Women rough sleepers who are the victims of domestic abuse*. Available from: http://womenroughsleepers2.eu/index.php?option=com_content&view=featured&Itemid=101. Findings are based on interviews with a sample of 20 rough sleepers.

²⁸ Albert Kennedy Trust (2014), *LGBT Homelessness: A UK Scoping of Cause, Prevalence, Response and Outcome*. www.akt.org.uk/webtop/modules/repository/documents/AlbertKennedy_ResearchReport_FINALInteractive.pdf

²⁹ Centre for Social Justice and Change (2014), *21st Century London Outcasts: Welfare Reforms and Their Impacts on Refugee Families Living in London*. Working Paper Series No. 1. <http://www.uel.ac.uk/csajc/documents/21stCenturyOutcastWP1.pdf>. Findings are based on interviews with 5 refugee families and 7 welfare experts.

³⁰ East European Advice Centre (2013), *A Peer-led Study of the Issues Faced by East Europeans in London*. <http://eeac.org.uk/files/East-Europeans-in-London-December-2013.pdf>

3.4.1 Overall trends in homelessness in London

Stakeholders noted a number of trends in the incidence and nature of homelessness in London. In relation to statutory homelessness applications/acceptances the most significant trend has been the increase in evictions due to ASTs ends in the PRS. One outer London borough stakeholder noted that PRS tenancy ends have become the overwhelming reason for statutory homelessness applications in their local area.

Stakeholders noted that, aside from individuals who have particular vulnerabilities which might create a statutory duty, they are unlikely to regularly meet with non-statutory homeless people. They therefore did not feel qualified to provide detailed comments on this group as a whole. Several stakeholders noted an increase in rough sleeping, e.g.: as evidenced via street count numbers. Stakeholders consider that local authorities are committed to maintaining current resource levels for rough sleeper services. However, outer London borough stakeholders noted it can be difficult to provide an effective local response as funding of local rough sleeper services is based on historical, i.e.: lower numbers of rough sleepers. This lack of funding may place additional pressure on other local services, e.g.: health and youth offending.

Several stakeholders considered it likely that hidden homelessness is also increasing. Whilst rises in this type of homelessness cannot be easily quantified it is sometimes possible to assume them by proxies, e.g.: the number of homelessness presentations by young people who have been asked to leave the family home due to overcrowding. One stakeholder linked increasing hidden homelessness and decreasing affordability at lower end of housing market.

3.4.2 Underlying causes/drivers of homelessness

London housing market conditions

Stakeholders consider a major factor in increasing homelessness is the functioning of the London housing market – particularly the combination of rapidly increasing rents in many areas and high demand in all sections of the PRS. The increasing use of the PRS by more affluent sections of the population, such as young professionals, is considered to be driving some landlords to exit the Housing Benefit section of the market in favour of perceived higher rental returns elsewhere. This is reducing the availability of affordable housing for low-income and homeless families. Some stakeholders also linked housing market conditions to statutory homelessness, i.e.: evictions in the PRS arising from landlords' decisions to sell property/re-let for higher returns, rather than rent arrears or other 'fault' on the part of the tenant.

The impact of Welfare Reform and other recent policy/funding changes on homelessness

Stakeholders were not always able to identify how individual policy changes had impacted directly on homelessness. Some considered changes in homelessness were the result of a series of welfare benefits and other changes over time.

The biggest single policy/funding change identified by stakeholders is restrictions in LHA levels, i.e.: limiting LHA to the 30% percentile (of market rent) and the upcoming freeze in LHA rates. Borough representatives related this primarily to accommodating statutory homeless households – though one stakeholder also mentioned the negative impact of LHA changes on homelessness prevention work. Stakeholders also consider the impacts of LHA changes need to be viewed in the context of London housing market conditions outlined above. Stakeholders consider that setting LHA at the 30% percentile means that LHA rates are not keeping pace with actual London market rents and this is leading to 'severe mismatch' in most areas. The measure has significantly decreased the - already fairly limited - supply of affordable PRS accommodation in London over recent years for statutory and probably also non-statutory homeless people. This differential can

also be a driver for PRS landlords to exit the Housing Benefit market. There may be a disproportionate impact for boroughs with a high level of PRS stock.

Discussions highlighted that LHA changes may produce some distributional impacts in relation to homelessness. Several borough representatives noted the (sometimes extreme) difficulty of sourcing PRS accommodation locally for statutory homeless households which meets affordability and suitability requirements and the consequent increase in out of borough placements for this group. Two stakeholders noted a trend towards out of borough placements in outer London areas. One of these commented that displacement from inner London is contributing to rent inflation, taking local rents further above LHA rates and thus increasing unaffordability. Another outer London stakeholder noted the likelihood of the receiving borough incurring a statutory housing duty in the case of subsequent tenancy failure. They also highlighted that information in relation to vulnerable households placed out of borough is not often shared. This makes it difficult to carry out effective homeless prevention work and increases the risk of homelessness.

Stakeholders also associate the extension of SAR with increased homelessness. Some noted the difficulty of accurately calculating SAR, either because rental agreements may be more informal in this section of the PRS market or because there is variation between which utilities and other costs are included in the rental charge. This issue is considered likely to increase the gap between LHA rates and actual rents, thus further reducing affordability.

Stakeholders noted that the extension of SAR increases demand for shared accommodation and the potential for higher rental returns for landlords than in smaller self-contained properties. One outer London stakeholder has observed a trend towards creation of HMOs in their local area in response to this change. However, other noted that current stock profile may make it difficult to meet demand in some boroughs in the near future. Other local factors, such as licensing schemes, whilst improving the physical quality of accommodation, may also be limiting the availability of shared housing. This increases demand for existing stock and may affect rent levels.

Two stakeholders noted the increasing proportion of vulnerable people being accommodated in shared accommodation as a result of the extension of SAR. One of these highlighted the potential this creates for exploitation of tenants by rogue landlords. Another noted that landlords may be reluctant to provide accommodation for this group as they perceive this will incur additional housing management costs. Whilst PRS access schemes can incentivise landlords to accept vulnerable tenants, at present funding for such schemes is not available to meet the scale of anticipated need.

Discussions did not highlight any potential distributional impacts on homelessness as a result of SAR.

Impacts of other policy and funding changes

Discussions/stakeholders consider a number of other changes are impacting on homelessness:

- *Benefit Cap reduction* – this is perceived as likely to further decrease the affordability of self-contained accommodation. As the Benefit Cap does not have an inner/outer London variation it is less sensitive than LHA to local housing costs. This may further incentivise local authorities to accommodate homeless households in outer London boroughs. One outer London stakeholder considers that larger homeless households (those requiring larger 4+ bed properties) will be unlikely to be accommodated anywhere in London due to the Benefit Cap.
- *Application of LHA rates to supported housing* – stakeholders perceive this as posing a serious threat to the viability of voluntary sector housing provision for single homeless people.
- *Discretionary Housing Payments (DHP)*: One stakeholder considers there is an over-reliance on the part of Government on DHP as a mechanism to assist local authorities with housing costs. The use of DHP to meet housing costs will become especially difficult due to budget cuts in 2015 (from £165M to

£125M). These cuts may disproportionately impact on single homeless people as priority for spending is likely to be on statutory homeless households.

Roll-out of Universal Credit – one outer London stakeholder considered that this may also increase landlords' uncertainty about renting to low-income households and lead some to leave the HB section of the market.

The cost of providing temporary accommodation (TA)

One stakeholder highlighted that failure to increase the TA management fee – currently set at £40 per week in London - means that many boroughs are currently having to subsidise TA costs, e.g.: via their own Council Tax budgets. This reflects the finding of a recent report for London Councils that many London boroughs are reporting substantial shortfalls between the subsidy provided and the actual cost of meeting TA need.³¹

One stakeholder noted a trend in landlords who previously leased accommodation to local authorities moving towards letting rooms/properties at a nightly charge at slightly below typical B&B rates. This change in behaviour increases local authorities' costs. This also reflects findings in the recent London Councils report mentioned above.

3.4.3 Perceived impacts of policy/funding changes on equalities groups

Stakeholders commented it may be difficult to identify trends in homelessness in relation to individual groups. However, some impacts were noted:

- The Benefit Cap affects larger families and these are disproportionately likely to be BAME.
- The extension of SAR impacts on younger people. One stakeholder noted a recent increase in homeless in the 25 – 34 age group. As noted above, the extension of SAR has increased the number of vulnerable people in shared accommodation, who unless they are given additional support are at risk of tenancy failure and subsequent homelessness. One stakeholder noted the particular impact of LHA changes on smaller properties, which are more likely to contain younger people.
- One stakeholder noted it is very difficult to procure adapted property of any size, especially larger property, for disabled people.
- The rising proportion of non-UK nationals in the rough sleeper population may be linked to recent welfare benefits changes, which make it more difficult for some EEA nationals to claim Housing Benefit.³²

3.4.4 Links between homelessness and unemployment

Most stakeholders consider there is a clear link between homelessness and unemployment at an individual level, but are uncertain about a possible geographical relationship. One stakeholder noted that where single homeless people have additional support needs it is difficult for them to find and keep work. Other stakeholders noted a recent trend towards increased employment within statutory homeless households and a

³¹ Rugg, J (2016), *Temporary Accommodation in London: Local Authorities under Pressure*. <https://www.york.ac.uk/media/chp/documents/2016/Temporary%20Accommodation%20in%20London%20report%20%20FINAL%20VERSION%20FOR%20PUBLICATION.pdf>

³² See Homeless Link (2014), *Working with EEA Migrants*. <http://www.homeless.org.uk/sites/default/files/site-attachments/Working%20with%20EEA%20Migrants%20Dec%202014.pdf>

link between homelessness and low income, as a result of low wages and high rents/lack of affordable housing. One outer London stakeholder noted the preference given in their borough's Housing Allocations Policy to those in employment. Similarly, one stakeholder noted the incentive being created by the Benefit Cap for homeless people to work 16 hours per week as a means of creating an exemption. However, low wage levels means that many of these are not seeking full-time work.

3.5 Conclusions and recommendations

The work demonstrates there is a clear need for additional resources to be allocated in outer London areas. The PRS is now extensively used to accommodate both statutory and non-statutory homeless households and it is evident that there is also a significant number of tenancy ends in this sector. However, there is often a lack of tenancy support for people living in this tenure. It would therefore be worthwhile exploring where current gaps in provision are and the possibility of commissioning services offering either tenancy sustainment and/or brief interventions, either on a borough or sub-regional basis.

More needs to be understood about the upward trend in outer London rough sleeping figures, the causes and the current capacity of boroughs to provide an effective response to the increasing need. It is clear that more needs to be done on prevention, and further intelligence on the reasons for the increases needs to be gathered in order to inform future commissioning priorities. The results of the No First Night Out ³³ (NFNO) pilots may also be of interest in terms of how successful the prevention strategies used have been and lessons learned for future interventions.

The comparatively large geographical area of outer London boroughs and wider geographical spread of rough sleepers means that delivering outreach services in these areas is likely to be proportionately more expensive than in inner London. To inform the commissioning process and subsequent resource allocation it would be useful for London Councils to analyse current spend in inner and outer London on a per rough sleeper basis. Based on the findings of this analysis there may be scope for GLA and London Councils funding to be applied differently to meet changing needs. One option might be to increase the capacity of the current London Street Rescue Service.

The work indicates that comprehensive information about vulnerable homeless households is not always shared between referring and receiving boroughs. The 'Notify' system enables local authority housing departments to share relevant information with London's 32 local authorities and the City of London. Notify enables referring boroughs to share comprehensive information about their statutory homeless households with receiving boroughs. It should be noted that, while boroughs do not always provide all the data requested, this is partly because some data fields are non-mandatory. A Review of Notify that focused on use of the system concluded late 2015. Recommendations are being implemented which include modifying the current Notify system. London Councils strategic policy group are leading further discussions regarding how boroughs effectively share information about the movement of vulnerable people.

Whilst robust data relating to statutory homelessness and rough sleeping is available there is little data or research evidence relating to other forms of non-statutory homelessness. There also is a need for further research into the impact of recent and potential forthcoming policy changes on homelessness in relation to individual protected equalities groups. In particular the 1% rent reduction in social housing and the proposed cap to LHA rates.

³³ No First Night Out – Help for Single Homeless People is a tri-borough 18 month project, working across Tower Hamlets, Hackney and The City of London, piloting new approaches to prevent individuals from rough sleeping for the first time (No First Night Out Service) and ensuring those already rough sleeping are able to access housing in the area where they have a local connection.

4.0 APPENDIX – list of research reports used in this report

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What we do

Homeless Link is the national membership charity for organisations working directly with people who become homeless in England. We work to make services better and campaign for policy change that will help end homelessness.

Let's end homelessness together

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MOPAC

MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

Mayor Jules Pipe
Chair of London Councils

MOPAC15012016-22245

27 January 2016

Dear Jules

London Councils Grants Consultation

I am writing to you following the publication of the latest results of London Councils Grants Consultation earlier this month and the commencement of your further consultation. I feel that we have made significant progress for London over recent years due to the successful aligning of the Mayor's Violence Against Women and Girls Strategy 2013-17 and commissioning programme with London Councils grant programme and I hope that MOPAC and London Councils will continue to build on this strong foundation in the next funding period.

I particularly wanted to express my support for the proposals to continue to fund Violence Against Women and Girls (VAWG) services that are closely linked with services funded by MOPAC. For example, our pilot on Harmful Practices is delivered by agencies that are also supported through the London Councils Grants Programme. This joint approach has been beneficial to the sector and I strongly support your continued funding of these specialist VAWG services, so that MOPAC and London Councils can continue to work together to support victims/survivors in London.

I am particularly pleased to see that you are minded to fund specialist refuge provision. At a recent meeting of the London Violence Against Women and Girls (VAWG) Board, which includes representatives of London Councils and which I co-chair, we discussed the gaps that the London Councils funded UK Refugees Online data has identified in specialist refuge provision for some of the most vulnerable victims of VAWG. The gaps included those with no recourse to public funds, those with complex needs and those aged 16-18. I would urge you to continue to fund this data collection as well as specialist refuge provision, as it will further support the endeavours of the Board in developing a strategic approach to specialist provision and so ensure these gaps are filled.

I am also pleased that you have acknowledged the links between domestic violence and homelessness and would like to inform you of some further work that the VAWG Board has recently agreed to take forward. The Board has agreed to work together to ensure that the links between homelessness and domestic violence are examined in detail, that local housing options for those who have experienced VAWG are understood, and to work through how we could support local areas in the way they handle these cases. As a member of the Board, we will work with London Councils to take this work forward.

Finally, while I do understand the pressures of forthcoming funding reductions and the resulting indication that you have given that capacity building of the third sector is unlikely to be considered as a priority in general for the Grants Programme going forward, I would

encourage you to reconsider this in the specific context of sexual and domestic violence. The sector is in a very precarious position and in serious need of support to ensure that organisations have diverse income streams, good fundraising strategies, strong governance and financial controls. It was immensely sad to hear that Eaves had to close and I fear that without this kind of support, further agencies will end up in the same position.

I hope you will agree that its important for our two agencies to continue to work together to fund specialist services for victims/survivors of crime in London and hope that you will take these views into account when making further decisions about the grants funding programme.

Yours sincerely



Stephen Greenhalgh

Deputy Mayor for Policing and Crime

P.S. A pleasure to work with both you and Lib on these important matters.

Cc: Cllr McGlone, Chair of London Councils Grants Committee

The Grants Committee would ask the Leaders Committee to note that:

There is majority support for a pan-London programme based on agreed principles and that the evidence mostly shows that the current four year programme (2013 to 2017) is delivering for all Londoners, within the limits of the £10m p.a. programme. It is important to note that for specialist services, including services for those for groups within equalities protected characteristics, that these can best be organised at a London level. For the two years 2013-2015, headline evidence of outcomes shows that 198,000 new interventions helped Londoners against our priorities.

Having considered the performance of the 2013/17 grants programme to date and the results of the recent consultation, Grants Committee recommends to Leaders Committee:

- 1. There is a strong case for continuing a grants programme focused on combatting sexual and domestic violence and on poverty through worklessness (accessing ESF match funding) for the 2017/21 period;*
- 2. There may be a case for continuing a programme focused on homelessness provided that Grants and Leaders Committee can be given stronger evidence of where that homelessness currently comes from across London and also that going forward commissions can address the differing priorities between inner and outer London;*
- 3. While not without merit, given current financial constraints, there is unlikely to be a strong enough case for continuing a programme on capacity building in the voluntary sector; and*
- 4. Going forward, boroughs need to be assured that:*
 - i. i: Robust, regular and transparent monitoring and reporting of the activities of the Grants Programme continues so that outcomes benefiting their residents can be evidenced;*
 - ii. ii: That service providers are working in partnership with borough third sector organisations;*
 - iii. iii: That commissioned outcomes can evidence clear and transparent value for money;*
 - iv. and*
 - v. iv: London Councils should facilitate a stronger network of officer relationships between itself, senior Borough officers and third sector providers and umbrella organisations in each borough to ensure continuing Pan-London ownership of the whole Grants Programme.*
 - vi.*
 - vii.*
 - viii.*
 - ix.*
 - x.*

Devolution and Public Service Reform – Update

Introduction

1. The Mayor and London Borough Leaders have driven a programme of work over the last two years in pursuit of devolution and reform of public services in London. This led to the development of the London Proposition which set out practical ideas for further devolution to London in support of public service reform.
2. This report notes progress on components of the London Proposition for devolution since the Spending Review. It goes on to describe continuing negotiations and developments in relation to the individual components of the proposition.

Progress on Employment Support Devolution

3. The Spending Review announced the creation of a new Health and Work Programme. This will effectively replace the Work Programme and Work Choice from 2017. In doing so the government made the specific commitment that the Mayor of London and London boroughs will jointly commission employment support (outside the Jobcentre Plus regime), to assist the very long term unemployed and those with health conditions and disabilities to (re)-enter work.
4. Discussions relating to the development of the Work and Health Programme with DWP are on-going. Key issues include ensuring that commissioning will take place at a sub-regional level in London, the extent to which London can lead and shape the programme and exploring the possibility of securing other resources to this programme such as European Social Fund (ESF) and skills funding.
5. It may be that in the longer term further progress in this area prompts a more substantial consideration of devolved governance arrangements in the capital in order to support effective operational integration at the local and sub-regional level.
6. London government is also continuing discussions around the development of local employment hubs in London. This will deliver cost savings on office colocation. It also has the potential to provide a single front door for local and Jobcentre Plus employment support services, building on the commitments from government to increase co-location

between JCP and local authorities and to support the effective roll-out of Universal Credit and the support for more vulnerable claimants.

Progress on Skills Devolution

7. London Councils and the GLA continue to have discussions with government on skills devolution, with a view to concluding negotiations before July 2016.
8. The government has indicated that the Adult Education Budget (AEB) will be devolved to London government from 2018/19 onwards. The AEB currently amounts to approximately £400m based on 2014/15 allocations in London. London government would need to meet current statutory entitlements¹ using this funding, but would be free to create additional entitlements and set outcome measures. In addition, relevant powers² may also be transferred from the Secretary of State to the Mayor.
9. Government has set out a high level, staged process for devolution of the AEB over a three year period:
 - I. In the 2016/17 academic year localities will have the opportunity to develop delivery arrangements with grant funded providers about what should be delivered in return for allocations;
 - II. For the 2017/18 academic year, the government will work with devolved localities to vary the block grant allocation made to providers via local outcome agreements.
 - III. From 2018/19 there will be full devolution of funding. Devolution will be subject to a number of 'readiness conditions' being in place. These are set out in Appendix 1. A funding formula for calculating the size of the grant to each devolved area will be developed, taking into account a range of demographic, educational and labour market factors.
10. The London proposition proposed a two tier commissioning system for the devolution of adult skills funding – at a pan-London and a sub-regional level. Commissioning at the sub-regional level provides the opportunity to join up employment and skills activity across London.

¹ To first full Level 2 qualification, English and Maths to Level 2 and first full Level 3 for 19-23 year olds

² Under the Further and Higher Education Act 1992.

11. London Councils and GLA officers are continuing discussions with government officials on the following issues before making recommendations about any skills devolution deal:

- Making the case for sufficient administrative resources to be devolved alongside the Adult Education Budget so there can be effective management;
- Being clear on the extent of any financial risk that could be transferred to devolved areas;
- Being clear on the system requirements for managing the AEB and whether there will initially be access to any systems or services within the Skills Funding Agency (SFA).
- Ensuring that London receives a fair share of resources through any new funding methodology for the AEB.

12. The government has indicated that devolution of apprenticeships funding (where funding follows the learner) and 16-18 funding are not being offered as part of any devolution deal. However, officers will continue to discuss how London government can influence this funding in the capital, alongside adult learning loans, as part of any skills devolution deal.

Progress on Health and Care Devolution

13. On 15 December, negotiations with government concluded and two public agreements were announced:

- I. A London Health and Care Collaboration Agreement between London Partners, CCGs, London boroughs, the Mayor of London, NHS England in London and Public Health England in London
- II. A London Health Devolution Agreement between the Chancellor, Mayor of London, the Chief Executive of the NHS, the Chair of London Councils, the Secretary of State for Health, the Chair of the London Clinical Commissioning Council and the Chief Executive of Public Health England

14. The London Health and Care Collaboration Agreement describes the role of five pilots in delivering transformation across London:

- Sub-regional care transformation – Barking and Dagenham, Havering and Redbridge
- Sub-regional estates – Barnet, Camden, Enfield, Haringey and Islington
- Local care integration – two pilots – one in Hackney and one in Lewisham
- Local prevention - Haringey

15. It also sets out the commitments made by each of the London partners to meet the aspirations of the programme. Specifically, the Mayor commits to ensuring that the London Land Commission supports work to transform the health and care estate and to lead engagement with Londoners on the future shape of the health and care system in the capital. London boroughs and CCGs commit to working towards the success of the pilots in their areas, while in other areas the commitment is to prepare for the swift transfer of learning from pilots areas to the rest of London.
16. The London Health Devolution Agreement describes agreements to jointly explore reform and devolution across six areas: capital and estates; system finances; provider regulation and inspection; workforce and skills; transformation funding; public health; and, employment and health. Detailed work in each of these areas will emerge over the course of 2016.
17. Taken together both agreements present a significant programme of work for London boroughs engaged in the devolution pilots and will require governance at a borough, sub-regional and pan-London level. With regard to the latter, a pan-London Devolution Programme Board is being set up, comprised of senior officers across partner organisations and accountable to the London Health Board.

Progress on Crime and Criminal Justice

18. The London Proposition presented a number of proposals for the devolution of crime and criminal justice responsibilities to London, including: the integration of London's blue light services and a proposal to test the devolution of youth justice budgetary, performance and commissioning responsibilities to the capital.
19. Progress in both these areas has been influenced by developments at a national level, including the Secretary of State for Justice's ambitions for wider reform of the criminal justice and prison systems, and senior officers from London Councils, London boroughs and MOPAC are currently in discussion to further develop a proposition that aligns with these factors. This collaborative approach was recently endorsed by the London Crime Reduction Board.

Progress on Enterprise Support Devolution

20. London's proposals for the devolution of enterprise support are progressing and senior officers from the Greater London Authority are in regular contact with officials from the Department for Business Innovation and Skills. Following the end of the national Growth Accelerator Programme the LEP has been awarded £1,040,000 payable over

the next two years, to further develop the Growth Hub in line with London's proposals for business support devolution. More detail on these arrangements is expected to emerge in the coming months.

Conclusion

21. Substantial progress has been made on proposals for devolution and public service reform across a number of areas contained in the London Proposition. Continued engagement and support by officers from London boroughs, London Councils and the Greater London Authority will be needed to ensure momentum is retained in the coming months. In the longer term it may be that the detail of these arrangements prompts a more substantial consideration of governance arrangements across the capital by the London Congress and the London Congress Executive.
22. Borough officers from different council groupings pursuing elements of the reform and devolution agenda have suggested that Leaders may well find it useful to see relevant appendices updating on progress in each of the appropriate groupings. Subject to any comments Leaders may have, officers will seek to include this development in future reports.

Recommendations

Leaders' Committee is asked to:

1. Note the progress that has been achieved following submission of the London Proposition on devolution and public service, particularly in respect opportunities that are now available to boroughs in relation to:
 - Employment
 - Skills
 - Health (including the London health pilots)
3. Note the work which is progressing within boroughs and borough groupings, to ensure that these opportunities can be realised. Subject to any comments Leaders may have, further update reports will seek to include relevant appendices detailing specific activities in each of the council groupings pursuing elements of the devolution and reform agenda.

Financial implications for London Councils

None

Legal implications for London Councils

None

Equalities implications for London Councils

There are no direct equalities implications for London Councils as a result of this paper.

Attachments

APPENDIX 1 Readiness conditions for devolution of skills

Readiness conditions for devolution of skills

- a) Legislative changes are made to transfer to GLA the current statutory duties on the Secretary of State to secure appropriate facilities for further education for adults from this budget and for provision to be free in certain circumstances;
- b) Completion of the Area Review;
- c) After the area reviews are complete, agreed arrangements are in place between central Government and the Combined Authority to ensure that devolved funding decisions take account of the need to maintain a sustainable and financially viable 16+ provider base;
- d) Clear principles and arrangements have been agreed between central Government and the Combined Authority for sharing financial risk and managing failure of 16+ providers, reflecting the balance of devolved and national interest and protecting the taxpayer from unnecessary expenditure and liabilities;
- e) Learner protection and minimum standards arrangements are agreed;
- f) Funding and provider management arrangements, including securing financial assurance, are agreed in a way that minimises costs and maximises consistency and transparency.

Leaders' Committee

Finance Update (Budget and Business Rates Devolution) Item 6

Report by: Paul Honeyben **Job title:** Strategic Lead: Finance, Performance & Procurement

Date: 22 March 2016

Contact Officer: Paul Honeyben

Telephone: 0207 934 9748 **Email:** paul.honeyben@londoncouncils.gov.uk

Summary

On 16 March 2016, Chancellor George Osborne delivered his eighth Budget. It contained a number of policies which are likely to impact on local government.

Most notably, no specific further cuts to local government funding were announced; additional funding was announced for the transition to a National Schools Funding Formula; and there were some significant announcements in relation to business rates, with government committing to explore with London options for moving to 100 per cent retention ahead of the full roll-out of the business rates reforms.

London Councils officers will continue to work closely with Leaders, through the business rates devolution working group and GLA colleagues to establish what the business rates announcements in the Budget mean for London Government.

Recommendations

Leaders are asked to note the contents of the report and appended member briefing.

Finance Update (Budget and Business Rates Devolution)

Budget 2016

1. On 16 March 2016, Chancellor George Osborne delivered his eighth Budget. It built on the previous announcements made in Autumn Statement/Spending Review 2015 last November, and provided an update on the economic outlook and updated plans for both public spending and taxation up to 2020-21.
2. The Budget contained a number of policies, which are likely to impact on local government. Most notably:
 - it confirmed further cuts of £3.5 billion to departmental spending in 2019-20, although there was nothing to suggest this would impact in the 4 year funding allocations set out in the recent local government finance settlement;
 - additional funding of £500 million was announced to help in the transition to a national schools funding formula; and
 - there were significant announcements on business rates – both in terms of changes to the tax itself (indexation to CPI inflation from 2020, and changes to Small Business Rates Relief), and with regard to 100 per cent retention the Government will explore with London options for moving to 100 per cent retention ahead of the full roll-out of the business rates reforms and the GLA's share of retained business rates will be increased to fund the transfer of responsibility for TfL's capital projects in April 2017.

Business rates devolution

3. London Councils officers will work closely with GLA colleagues to establish what the business rates announcements in the Budget mean for London Government. The Leaders working group will meet for the second time after Leaders' Committee on 22 March to discuss and consider this further.
4. DCLG and the LGA will publish shortly a series of open discussion papers with regard to the different aspects of business rates devolution. London Councils will respond to these papers in due course in order to inform the more detailed summer consultation.
5. The attached member briefing provides a detailed summary of the business rates announcements in the Budget 2016, and any others that impact on London local government.

Recommendations

6. Leaders Committee is asked to note the contents of the report and the appended member briefing.

Financial Implications for London Councils

None

Legal Implications for London Councils

None

Equalities Implications for London Councils

None



Budget 2016

On 16 March 2016, Chancellor George Osborne delivered his eighth Budget. It built on the previous announcements made in Autumn Statement/Spending Review 2015 last November, and provided an update on the public finances, including the overall economic outlook and future plans for both public spending and taxation up to 2020/21. The Budget contained a number of policies that are likely to impact on local government. At this stage, it is too early to confirm what the exact impact on local government will be and more detail is likely to emerge over time. The key headlines for London Local government are summarised below.

Key Headlines

- An efficiency review will identify a further £3.5 billion of departmental spending cuts in 2019/20. No changes were announced to local government funding allocations set out in the 2016/17 LGF settlement.

Business Rates:

- Government will explore with London options for moving to 100 per cent business rates retention **ahead of the full roll-out of the business rates reforms.**
- The **GLA's share of retained business rates will be increased** and responsibility transferred for funding **TfL's capital projects** in April 2017.
- **Small Business Rate Relief will be permanently doubled to 100 per cent** and the thresholds moved (this will cost £1.5 billion a year from April 2017)
- Business rates will be **indexed to CPI rather than RPI** from April 2020
- A discussion paper will be published in March 2016 on moving to **three year business rates revaluations.**
- All schools expected to become, or be in the process of becoming, **academies by 2022.**
- £500 million of additional funding to be provided to accelerate **the transition to National Funding Formula**
- **Crossrail 2** has been endorsed and government will contribute £80 million to fund its development
- TfL is invited to bring forward proposals for **financing infrastructure projects from land value increases**
- A **taper will be introduced within Pay to Stay**, so that rents rise gradually above the minimum income thresholds of £40,000 in London and £30,000 outside of London.

Economic Outlook

Alongside the Budget, the independent Office for Budget Responsibility (OBR) published new forecasts for the economy and the public finances, taking into account Budget policy measures. It has assessed whether the government is on course to meet its medium-term fiscal objectives outlined in the *Charter for Budget Responsibility*. These are:

- The government's **fiscal mandate** requires a surplus on public sector net borrowing by the end of 2019/20 and in each subsequent year.
- A **supplementary target** for public sector net debt to fall as a percentage of GDP in each year to 2019/20 (after which it would continue to do so if the mandate is met).
- A **cap on a subset of welfare spending**, at cash levels set out by the Treasury for each year from 2016/17 to 2020/21 in the July 2015 Budget.

The government is "on course to meet its fiscal mandate but miss its supplementary target". In the absence of any policy measures the fiscal mandate would not have been met, but policy measures raise £13.7 billion in 2019/20 and £13.1 billion in 2020/21.

The supplementary target is missed as a result of the small rise in public sector net debt between 2014 and 2015; it will then fall in all subsequent years.

Welfare cap spending is forecast to exceed the cap in every year by more than a 2 per cent margin, in line with the November 2015 assessment.

Key Economic and Fiscal Indicators

Table 1 below outlines the key economic and fiscal indicators underpinning the Budget.

Table 1 – Key Economic and Fiscal Indicators

	2014	2015	2016	2017	2018	2019	2020
Gross domestic product (GDP)	2.9	2.2	2.0	2.2	2.1	2.1	2.1
Public sector net borrowing (£bn)	91.9	72.2	55.5	38.8	21.4	-10.4	-11.0
Public sector net borrowing (deficit % of GDP)	5.0	3.8	2.9	1.9	1.0	-0.5	-0.5
Public sector net debt (%)	83.3	83.7	82.6	81.3	79.9	77.2	74.7
LFS unemployment (% rate)	6.2	5.4	5.0	5.0	5.2	5.3	5.3
Employment (millions)	30.7	31.2	31.6	31.7	31.9	32	32.1
CPI Inflation (%)	1.5	0.0	0.7	1.6	2.0	2.1	2.0

Source: HMT – Summer Budget 2015; OBR – Economic & Fiscal Outlook, July 2015

The budget deficit is expected to fall this year to £55.5 billion. This is a £5.6 billion increase since the OBR's estimate in Spending Review 2015 (SR15). Public sector net borrowing will decrease each year until 2019/20, when there will be a surplus of £10.4 billion. This is forecast to increase to £11 billion in 2020/21.

The OBR's CPI inflation forecast is unchanged since July and sits at 0.0 per cent in 2015, rising to 0.7 per cent in 2016. This is forecast to rise to 1.6 per cent in 2017, more slowly than anticipated at SR15, before returning to the 2 per cent target in 2019/20.

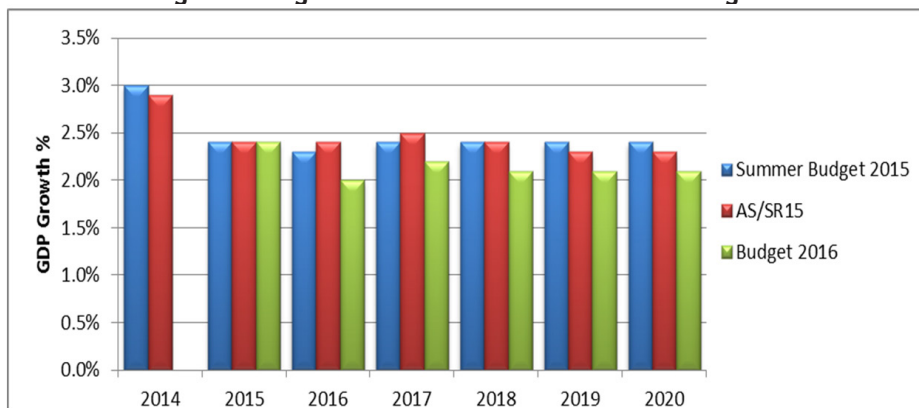
Unemployment is estimated to continue to fall from 5.4 per cent in 2015 to 5.0 per cent in 2017, before rising to 5.3 per cent in 2019. Employment will increase to 32.1 million by the end of the period.

Growth

GDP growth figures for 2015 have been revised downwards to 2.4 per cent since SR15, falling to 2.0 per cent in 2016. The green bars in Chart 1 below show that figures for the remainder of the period are also lower than previously forecast at 2.2 per cent in 2017 and staying at

around 2.1 per cent per annum for the final three years.

Chart 1 - Change in GDP growth forecasts since Summer Budget 2015



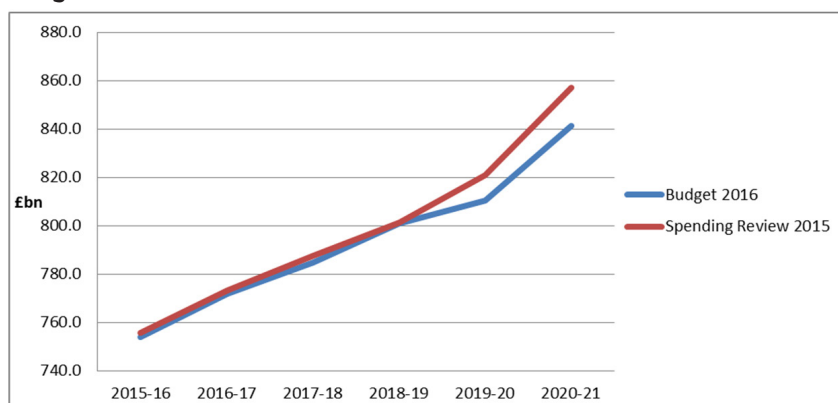
Source: Office for Budget Responsibility; Economic and Fiscal Outlooks

Key Announcements

Public Spending

- The government will conduct a **departmental efficiency review** (reporting in 2018), which will help deliver a **further £3.5 billion of savings** from public spending in 2019/20, while maintaining the protections set out at the Spending Review and Autumn Statement.
- Overall public spending (**Total Managed Expenditure**) will be **£16 billion lower than previously forecast** by 2020/21.

Chart 2 – Total Managed Expenditure Forecasts (£bn) – change Spending Review 2015 to Budget 2016



Note: Figures are outturn rather than real terms

Business Rates

100 per cent retention

- The government will explore with London options for **moving to 100 per cent business rates retention ahead of the full roll-out of the business rates reforms**.
- The government will **increase the share of London's business rates retained by the Greater London Authority** and transfer responsibility for funding **TfL's capital projects**. This will give the Mayor of London control over almost £1 billion more of locally raised taxes.

Reliefs and indexation

- Small Business Rate Relief (SBRR)** will be **permanently doubled** - from 50 per cent to 100 per cent.

- **SBRR thresholds will be increased** - businesses with RV of £12,000 and below will receive 100 per cent relief, and businesses an RV between £12,000 and £15,000 will receive tapered relief. 600,000 small businesses, occupiers of a third of all properties, will pay no business rates at all and an additional 50,000 will benefit from tapered relief.
- **Standard business rates multiplier threshold to increase to RV of £51,000** - this will take 250,000 smaller properties out of the higher rate.
- From April 2020, business rates **annual indexation to be switched from RPI to CPI**. Worth £370 million to businesses in 2020/21 alone.

Business rates administration

- Government will aim to **revalue properties more frequently (at least every three years)** and will publish a **discussion paper in March 2016** outlining options on how to achieve this.
- Billing and collection, by 2022 local authority business rate systems will be linked to HMRC digital tax accounts. As a first step, government will work with local authorities to **standardise business rate bills** and ensure ratepayers have the option to receive and **pay bills online** by April 2017.
- Once local authority and HMRC systems are linked, the **government will consider the feasibility of replacing SBRR with a business rates allowance for small businesses** – this would apply to a business's total property portfolio across local authority areas allowing businesses that grow and acquire more property to benefit from relief.

Costs

- **Local government will be compensated for the loss of income** as a result of the business rates measures above, and the impact considered as part of the government's consultation on the implementation of 100 per cent business rate retention in summer 2016.
- Total cost implications are set out in Table 2 below – amounting to a **cumulative £6.7 billion by 2020/21**. It is not known how the additional £1.5 billion cost will be funded, but this reduction in the taxbase is likely to mean the overall quantum of business rates will be lower at the point of 100 per cent retention.

Table 2 - Cost implications of Business Rates policy changes (£bn)

	2016-17	2017-18	2018-19	2019-20	2020-21	Change 16-17 to 20-21
Permanent doubling of SBRR & extension of thresholds	0.000	-1.575	-1.410	-1.420	-1.460	-5.865
Increased threshold for higher multiplier to £51,000	0.000	-0.125	-0.110	-0.110	-0.115	-0.460
Switch from RPI to CPI in April 2020	0.000	0.000	0.000	0.000	-0.370	-0.370
Total	0.000	-1.700	-1.520	-1.530	-1.945	-6.695

Source: HMT; Table 2.1: Budget 2016 policy decisions

Employers Pensions

- The government will reduce the public service pension scheme discount - this will **increase the contributions employers pay to the schemes from 2019/20 onward**.

Education

- **Full academisation** – all schools expected to become, or be in the process of becoming, academies by 2022.
- **Accelerated transition to National Funding Formula** – the current system will be replaced by the National Funding Formula from 2017/18, with the government aiming for 90 per cent of schools who gain funding to receive the full amount they are due by 2020. Around £500 million of additional core funding will be provided over SR15 period, on top of the commitment to maintain per pupil funding in cash terms.
- **Mentoring** – £14 million over the Spending Review period will be used to deliver a

mentoring scheme for disadvantaged young teenagers.

- **Post-16 maths** – Government to consult on making the study of maths compulsory for 16 to 18 year-olds.

Housing

- **Right to Buy pilot** – As announced at Autumn Statement, the government is piloting the Right to Buy with five housing associations, to inform the design of the final scheme.
- **Pay to Stay taper** – The government will introduce a taper within Pay to Stay, so that rents rise gradually above the minimum income thresholds of £40,000 in London and £30,000 outside of London.
- **Making Pay to Stay voluntary for housing associations** – As announced as part of the government's deregulatory strategy for the housing association sector, Pay to Stay will be implemented on a voluntary basis by housing associations.
- **Social rent reduction deferral for supported housing** – the 1 per cent annual reduction in social rents announced at the Summer Budget will not apply to supported housing in 2016/17.
- **Local Authority land** – Local Authorities will collaborate with central government on a local government land ambition, working with their partners to release land helping to support the government's policy of regenerating council housing estates.
- **Starter Homes** – the Starter Homes Land Fund prospectus launched today. It invites Local Authorities to access the £1.2 billion of funding to remediate brownfield land to deliver Starter Homes.
- **Investment in low-cost homeownership** – The government will explore options for encouraging private investment in low-cost homeownership, including the scope to use guarantees.
- **Help to Buy: Shared Ownership** – The government will launch a prospectus in April which will invite private developers to come forward and bid for funding to build Shared Ownership homes.
- **Homeownership** – The government will explore ways to extend homeownership to social tenants who cannot afford to take advantage of existing schemes.
- **Private Rented Sector (PRS) Guarantee** – The government will extend the PRS guarantee scheme until December 2017 to encourage long term institutional investment in the private rented sector.

Homelessness

- **Rough sleepers** – government will:
 - Invest £100 million to deliver low-cost 'second stage' accommodation places for rough sleepers leaving hostel accommodation and domestic abuse victims and their families moving on from refuges.
 - invest £10 million over two years in initiatives to support and scale-up innovative ways to prevent and reduce rough sleeping, particularly in London, building on the success of the No Second Night Out initiative
 - double funding for the Rough Sleeping Social Impact Bond announced at the Spending Review, from £5 million to £10 million, to drive innovative ways of tackling entrenched rough sleeping, including through 'Housing First' approaches
 - Help rough sleeping EU migrants to return to their home countries.
- **LHA caps** - on 1 March 2016 the government confirmed that the date from which Local Housing Allowance caps apply to new tenancies in the supported accommodation sector will be delayed by one year. It will now apply to tenancies in this sector signed after 1 April 2017.
- **Supported housing** - the evidence review of the supported accommodation sector, due to report in the spring, will provide a foundation to support further decisions on protections for the supported housing sector in the long term.

Planning

- **Moving to a more zonal planning system** – The government will bring forward measures to enable a more zonal and ‘red line’ planning system.
- **Speeding up the process for assessing housing need** – The government intends to accelerate the preparation and adoption of Local Plans. The government welcomes the report by the local plans expert group and will consult on the recommendations.
- **Streamlining the use of planning conditions** – To minimise delays caused by the use of planning conditions the government intends to:
 - legislate to ensure that pre-commencement planning conditions can only be used with the agreement of the developer
 - review the process of deemed discharge for conditions, to ensure it is effective and its use maximised
- **Transparency of the land market** – The government will consult on proposals to increase transparency in the property market, including by improving the visibility of information relating to options to purchase or lease land.
- **Secretary of State planning decisions** – The government will set statutory 3 month deadlines for Secretary of State decisions on called-in applications and recovered appeals to prevent time-delays on decisions on infrastructure, housing and regeneration projects.
- **Compulsory Purchase Order reforms** – The government will consult on a second wave of Compulsory Purchase Order reforms with the objective of making the Compulsory Purchase Order process clearer, fairer and quicker.

Health, Social Care and Welfare

- **Soft drinks industry levy** – a sugar levy on ‘excessively’ sugary drinks, to be implemented in 2018/19. This will raise £520 million in its first year, which will be used to double the primary school PE and sport premium to £320 million per year, provide up to £285 million a year to give 25 per cent of secondary schools increased opportunity to extend their school day by one hour, and provide £10 million of funding a year to expand breakfast clubs for children.
- From autumn 2016, and as has previously been announced, the government will introduce **exemptions for recipients of Guardians Allowance, Carer’s Allowance and the carers element of Universal Credit from the household benefit cap**, which is set at £23,000 for Greater London.
- **“Tampon Tax”** – £90,000 of the £12 million committed by the government will be used to support the Birth Companions charity, which provides support to women in prison and the community through pregnancy, birth and early parenting, in London and Peterborough.

Culture

- **Museums** – from 1 April 2017, the government will introduce a new tax relief for museums and galleries who take their exhibitions on tour, as well as broadening the eligibility criteria for the VAT refund scheme for museums and galleries.
- **Royal College of Art** – the government will help fund the expansion of the Battersea Campus by contributing £54 million funding to 2021/22.
- The government will support the **British Library’s** ambition to develop the land to the north of its St Pancras site, subject to business case approval.

London Transport and infrastructure

- **Crossrail 2** – The government accepts the National Infrastructure Commission’s recommendations and is giving the green light for Crossrail 2 to proceed to the next stage. The government will provide a contribution of £80 million to fund the development and a funding package to be developed that involves London funding more than half of the cost of the project.

- **Old Oak Common** - The government has agreed a Memorandum of Understanding with the Old Oak and Park Royal Development Corporation on transferring government and Network Rail land into the Development Corporation's ownership, on the condition that the Development Corporation develops a plan for funding, financing and delivering the regeneration.
- **TfL** - The government invites TfL to bring forward proposals for financing infrastructure projects from land value increases, which could support schemes like the proposal for 'flyunder' tunnels to replace busy main roads and support redevelopment in Barking, Hammersmith or other town centres. The government is also supporting TfL to generate revenue from its property assets including by consulting on reforms to compulsory purchase orders.
- **Outer London** - The government will provide £5 million to establish a fund to support smaller local infrastructure projects in outer London boroughs.
- **Brent Cross** – full business case for a new Thameslink station at Brent Cross has been approved.
- The government will establish a £15 million '**connected corridor**' from London to Dover to enable vehicles to communicate wirelessly with infrastructure and potentially other vehicles.
- The government will carry out a feasibility study on upgrades to the M1 to provide a **continuous smart motorway** from London to Yorkshire.

Local Government and Devolution

- The government will open negotiations on **new city deals** with Edinburgh and Swansea.
- Cardiff has agreed a £1.2 billion **city deal**, including a £500 million contribution from the government.
- East Anglia Combined Authority and the West of England Authority have agreed **mayoral devolution deals** worth £1 billion each.
- Lord Heseltine will lead the **Thames Estuary 2050 Growth Commission**, which will develop a plan for North Kent, South Essex and East London for supporting the development of high productivity clusters in specific locations.
- The government has agreed a further devolution deal with **Greater Manchester**, including the transfer of criminal justice powers.
- The government will establish a small number of **British Wealth Funds** by combining the assets of several Local Government Pension Scheme administering authorities into much larger investment pools, which will deliver savings of at least £200 million per annum from 2018.
- As previously announced, local authorities will have **the flexibility to spend capital receipts** from asset sales on the revenue costs of reform projects.
- The number of civil servants working in central London will reduce significantly, as part of a programme to relocate part of the Whitehall workforce to the London suburbs.

Commentary

It is too early to be able to say with certainty what the impact of the Budget 2016 announcements will be on local government funding. However, the fact that the additional cuts to departmental spending of £3.5 billion will not materialise until 2019/20 (following a departmental "efficiency review" that will report in 2018) means at least the first three years of the four year funding allocations set out in the 2016/17 local government finance settlement will not be affected.

The government's plans to introduce a National Schools Funding Formula could potentially have an adverse impact on funding for London's schools. The £500 million of additional fund-

ing over the Spending Review period, announced in the Budget, to accelerate the transition to the National Funding Formula is therefore welcome. However, a similar level of funding would be required nationally on an annual basis in order to protect pupil funding for all local authorities in the longer term.

Budget 2016 contained some very significant announcements for London local government relating to Business Rates: some welcome and others less so. The announcement of a change in indexation of the tax from RPI to CPI inflation is effectively a reduction in the overall amount of potential funding for the sector once the government introduces 100 per cent retention by 2020. The more immediate changes to Small Business Rates Relief will see around £1.5 billion a year less business rates collected (nationally) from April 2017 onwards. It isn't clear how local government will be "fully compensated" for the loss of income, but more information will be provided as part of the government's consultation on the implementation of 100 per cent retention over the summer.

More encouraging was the announcement that the government will explore with London options for moving to 100 per cent business rates retention ahead of the full roll-out of the business rates reforms (due by 2020). London Councils has repeatedly called for 100 per cent retention of business rates. Provided the problems with the existing system (notably the impact of business rates appeals) are dealt with, this offers a genuine opportunity for London to take control of its own destiny and deliver genuine economic growth that the current system does not deliver.

London Councils is working with the GLA and government to ensure that we get the best deal for Londoners from these fundamental changes in how local government services are funded.

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Leaders' Committee

Introduction of the National Funding Formula for Schools

Item no: 7

Report by:	Caroline Dawes	Job title:	Head of Children's Services
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Summary

The Government plans to introduce a National Funding Formula (NFF) for schools in April 2017. It launched the first part of its consultation on the implementation of the new formula on 7 March 2016 for the schools block and high needs block of the Dedicated Schools Grant (DSG).

Among the proposals announced, the Department for Education (DfE) sets out plans to fund schools directly from 2019/20, which would significantly reduce the role of local authorities and schools forums in determining allocations. It also proposes a new 'central schools' block of funding for local authorities to deliver their statutory duties. This paper sets out the key proposals in the consultation, the potential implications for London local government and recommendations for next steps.

Recommendations

Leaders are asked to:

- Comment on the Department for Education's proposals to introduce a NFF and its implications for London local government
- Support the next steps and lobbying position set out in paragraphs 26-27

Introduction of the National Funding Formula for Schools

Introduction

1. Between 2010 and 2015, the Coalition Government began the process of school revenue funding reform with the aim of introducing a National Funding Formula (NFF) for schools to ensure school funding is simpler, more transparent and pupil characteristic led.
2. Building on these earlier reforms, the 2015 Conservative Party manifesto outlined a plan to protect schools funding, which would rise as pupil numbers increase, and also introduce fairer schools funding. On 25 November 2015, as part of the Spending Review 2015, the Chancellor of the Exchequer announced his intention to implement the first ever national funding formula (NFF) for schools in April 2017, with a consultation to be held in early 2016.
3. Previously, London Councils has made representations to Government in response to its consultations on school funding reforms. These responses have included making the case for why London schools need higher levels of investment and why the funding system requires greater local flexibility to meet varied local need.

The Department for Education's consultation on *Schools and high needs funding reform*¹ (introduction of the National Funding Formula for schools)

4. The Department for Education (DfE) launched the first part of its consultation into the implementation of the NFF on 7th March on both the schools block and high needs block of the Dedicated Schools Grant (DSG). The consultation will close on 17 April. It intends to consult on a further paper, which will set out the detail of the factors that will determine school allocations, in due course.
5. The DfE has identified that there is significant variability in per pupil funding levels across the country. This is due, in part, to historic government funding levels and local authority investment, but also, in part, due to the way in which local authorities and schools forums allocate funding locally according to need.
6. In order to achieve its aim of creating a more transparent funding system, with less variability of funding levels, the DfE is proposing to introduce a number of reforms to the school funding system:

¹ <https://consult.education.gov.uk/funding-policy-unit/schools-national-funding-formula>

- A new NFF for schools will be introduced in 2017-19. The DfE will allocate funding directly to schools (“hard national funding formula”) by 2019-20, rather than via local authorities; with a transition period between 2017-18 and 2018-19 during which local authorities will still be responsible for determining local allocations with their schools forums (“soft national funding formula”).
 - The DfE will create a new fourth block of the DSG, the ‘central schools’ block, to fund local authorities to deliver their ongoing statutory duties in respect of maintained schools and academies (e.g. admissions, pupil welfare) from 2017-18. Therefore, in 2017-18 and 2018-19 local authorities will be required by the DfE to pass all of the schools block of the DSG directly to schools. It also sets out an intention to merge the current Education Services Grant with the central schools block, to give each local authority one funding pot for providing central education services for its maintained schools and to deliver its wider statutory duties around education.
 - The DfE plans to remodel the DSG using a formula based on four building blocks: per pupil costs; additional needs costs; school costs; and geographic costs. These building blocks are based on 11 factors; a reduction from 14 available in local formulae.
 - It is proposed that a ‘minimum funding guarantee’ is retained in the schools block to ensure stability in the system.
 - The DfE will allocate funding for premises factors, growth and business rates to local authorities in 2017-18 and 2018-19 on the basis of historic spend, for them to distribute at a local level. It is consulting on whether this funding could be distributed on a formulaic basis from 2019-20.
 - There are plans to provide practical support to schools including through an ‘invest to save’ model. Schools will be free to determine how best to use this funding to help them manage the transition to a new NFF.
7. For the high needs block, there is a recognition of the important duties that local authorities have in relation to children and young people with Special Educational Needs and Disabilities. The DfE is proposing the following changes:

- A new NFF will be introduced for 2017-18, retaining the same distribution and allocation process via local authorities.
- The new formula will be based on a range of factors including population, health, disability, low attainment and deprivation.
- The formula will retain a significant element of funding based on what local authorities are currently spending and capping the gains and losses of local authorities each year, for at least the first five years.
- The DfE will provide financial and practical help to authorities to assist them in reshaping their provision, including capital funding for new specialist places and new special free schools.

Areas for consideration in the consultation response

8. The DfE's overall plan is to move to a system in which a pupil would attract the same amount of funding to his or her school wherever they live, before an Area Cost Adjustment is applied. This translates to a school-level national formula rather than a flexible local system with funding distributed via a local authority. Clearly, this proposed model will dramatically change the role of local authorities and schools forums in determining how investment is targeted locally to meet needs. The DfE will need to build in clear accountability structures and increased capacity in order to be able to fully take on this new role.
9. London local government will need to consider the impact of these changes on the wider school system, individual pupils and its own role in terms of delivery of statutory duties and ensuring local accountability in the system. At present local flexibility in the system allows local authorities and schools forums to address specific localised areas of concern, for example by targeting additional funding at Looked After Children in schools operating in challenging circumstances. Removing local flexibilities used by schools' forums to decide how to use funding to meet local need could result in a less refined funding mechanism that cannot respond to specific localised challenges or quickly to meet changing demand.
10. The consultation document sets out limits to the areas covered by the DSG. It suggests that early intervention work is not a valid area to be funded by the DSG². However, many local authorities use the DSG on the advice of schools to fund early intervention activities that

² P.54 <https://consult.education.gov.uk/funding-policy-unit/schools-national-funding-formula>

enable pupils at risk to achieve improved educational outcomes. There is a risk that this change could have an adverse impact on attainment levels among vulnerable pupils.

11. The Department for Education plans for the NFF to be based on 11 factors. This is a reduction from the current set of 14. It has chosen to include the sparsity factor, which is only used by 24 local authorities in the country and none in London, and remove the mobility factor from the formula, which all London boroughs currently use. The DfE is proposing to pick up mobility in its growth formula. However, the consultation document does not provide much detail on how this growth formula will work. This could represent a significant challenge for London as, according to the National Pupil Database, non-standard admissions are consistently approximately 20% higher in London than elsewhere in England. The associated costs of dealing with in year mobility are considerably high, particularly for first time entrants to the education system.
12. It is also important to note that the DfE has committed to reducing the Education Services Grant (ESG) by £600 million by September 2017. The second phase of the consultation will include more details in terms of local authority funding allocations. It will clearly be important to ensure that the new central services block has sufficient funding, particularly considering the proposal to merge it with the reduced Education Services Grant, and is distributed fairly in order for local authorities to meet current costs in delivering central services as well as its wider education statutory duties.
13. The consultation document makes assumptions about the efficiency savings that schools would be able to make to cope with reductions in funding resulting from the introduction of the NFF. However, schools across the country have already experienced considerable real terms cuts since 2010. According to the Institute for Fiscal Studies³, school spending per pupil is likely to fall by around 8% in real terms (based on a school specific measure of inflation) between 2014–15 and 2019–20. Given the London inflation rate is higher than the national average, the real terms reduction is likely to be keenly felt by London's schools.
14. The DfE plans to consult on the third block of the DSG, the early years block, at a later date. It is difficult to be able to comment on the full implications of the proposals without knowing the detail of proposed changes to early years funding at the same time, as all three current notional blocks (schools, high needs and early years) in the DSG have considerable interaction in the current funding system.

³ <http://www.ifs.org.uk/publications/8027>

Wider funding implications for London's schools and further consultation

15. The Department for Education plans to publish further details, including weightings for allocations as part of the new NFF, in its second phase of consultation. This is expected to be published at some point before the summer.
16. It has made clear, in its consultation on *Schools and high needs funding reform*, that it intends to address the variability in funding levels by distributing more funding to areas and schools that are currently under-funded, while 'gradually reducing the funding of schools that have been generously funded to date'.⁴ The Government during the Spending Review 2015 did not announce any new funding to ease the transition to the NFF.
17. Currently 29 London local authorities receive higher than the national average per pupil funding levels, therefore London's schools are at significant risk of losing funding under any redistributive model. Until the DfE publish the allocation levels, it is difficult to ascertain full scale of the impact of the introduction of the NFF on London's schools.

Challenges of delivering the NFF in London

18. London Councils has undertaken some preliminary analysis of the criteria set out by the DfE in its consultation document *Schools and high needs funding reform*. The DfE is proposing that funding is distributed by calculating per school allocations, based on a formula based on eleven factors including an area cost adjustment. As the weighting placed on each factor will not be proposed until the second consultation, London Councils' preliminary analysis is based on the relative weighting placed on each criteria used to distribute an additional £390m in 2015/16 to address variability in the funding system.
19. Excluding any transitional arrangements or minimum funding guarantees applied in the short/medium term to manage losses and gains for schools, London could lose £245 million under a NFF (Appendix 1 provides analysis by local authority). To protect completely the Schools Block for all local authorities that would lose money under a NFF on the basis of this preliminary analysis, the Government would need to increase the DSG by £521million (1.7% of the existing Schools Block) per annum. If a school-level formula is introduced, £521 million ensures that the total sum allocated to schools in a local authority does not fall, but the amount needed to provide protection for every single school is likely to be higher. Insufficient data and

⁴ P.10 <https://consult.education.gov.uk/funding-policy-unit/schools-national-funding-formula>

information means preliminary analysis of a NFF applied either to the High Needs Block or Early Years Block cannot be undertaken at this stage.

Complexities of the London education system

20. The London education system has been transformed over the past 20 years, which has been widely recognised. With strong leadership across the system, London schools have gone from being amongst the worst in the country to now consistently outperforming all other regions. For several years London pupils have continued to outperform their peers nationally at both Key Stage 2 and Key Stage 4. London has the highest percentage of both primary and secondary schools judged good and outstanding by Ofsted, 89 per cent compared to a national average of 85 per cent.
21. The London education system, however, experiences significant challenges. Not only does education cost more to deliver in London than elsewhere in the country, it also faces factors such as higher levels of deprivation and mobility. London schools need to continue to ensure that improvements are delivered to reduce the achievement gap for disadvantaged pupils, stretch the most able and enable more pupils to reach their full potential.
22. Further challenges loom with the capital's population set to continue to increase, with an estimated 146,000 new school places required by the end of 2020. This also places a disproportionate pressure on the London education system to recruit sufficient additional staff.
23. London schools are already facing considerable issues with teacher recruitment and retention. In London, over 50% of head teachers are aged over fifty and approaching retirement. As a result, governors report finding it harder to attract good head teachers in London and re-advertising rates⁵ for head teacher posts are higher in London than in other regions.
24. The proximity of London boroughs to each other alongside excellent transport links, result in higher levels of cross-border mobility than elsewhere in the country. More than 136,000 pupils educated in the capital are being taught at a school outside of the local authority they live in - 13 per cent of the total. This is double the proportion of pupils who cross council boundaries to attend school in England as a whole.

⁵ GLA: Building the Leadership Pool in London Schools
https://www.london.gov.uk/sites/default/files/slideshow_building_the_leadership_pool_2.pdf

25. Overcoming these challenges requires considerable resource, effort and expertise. The Government needs to continue to invest in the London school system to ensure the ongoing delivery of high quality education for all the capital's children.

Next steps

26. It is proposed that London Councils formulates a response to the first part of the NFF consultation in discussion with the Association of London Directors of Children's Services and the borough children's finance officers groups.

27. In tandem, London Councils will make the case to government for continued investment in London's schools, taking into account its complexities including deprivation, mobility and other local factors. It will focus its campaign on the following broad principles:

- To address any inequalities in the current funding formula, funding should be levelled up, rather than down
- Fairer funding through a NFF should not result in a reduction in funding for London's children
- Local flexibility over funding is vital to address and respond swiftly to local diverse and emerging issues

28. London Councils intends to undertake a number of activities to raise awareness of the potential impact of the NFF on London Schools, including media briefings, a member event and supporting the work of the All Party Parliamentary Group for London which has taken an interest in this area.

29. London Councils' Executive met with the Mayor of London for a Congress Executive on 1st March, where he indicated his support to work with London Councils to raise concerns about the impact of the NFF on London's schools. London Councils officers will continue to work with the GLA to seek opportunities for joint lobbying activity.

Recommendations

30. Leaders are asked to:

- Comment on the Department for Education's proposals to introduce a NFF and its implications for London local government
- Support the next steps and lobbying position set out in paragraphs 26-27

Financial and legal Implications for London Councils

15. None

Equalities implications

16. None

Appendix 1: London Councils' preliminary analysis of a NFF for schools block

Overview

- London Councils has completed preliminary analysis to indicate the possible impact on London of a national funding formula for the schools block.
- Although formula criteria were recently proposed by DfE in the consultation, the data sources that will be used in the final formula are not publically available and the relative weighting placed on each criteria will not be proposed until the second consultation.
- This is therefore early analysis to indicate the potential scale of the change, in the absence of complete DfE proposals. More granular local authority level analysis in particular should be treated as highly provisional.
- The analysis is roughly based on, but does not replicate exactly, DfE's proposals in the consultation and DfE's methodology for distributing an extra £390 million of school funding in 15/16.

Key findings

- London's schools could lose £245million under a new national funding formula, equivalent to 5,873 full-time teachers or 11,598 full-time teaching assistants.
- Inner London would be the hardest hit with a cut of 9.4%, equivalent to £586 per pupil, compared to a 4.5% cut across London.
- The DSG would need to increase by £521 million to completely protect all local authorities from a cash cut (1.7% of the schools block). If a school-level formula is introduced, £521 million ensures that the total sum allocated to schools in a local authority does not fall, but the amount needed to provide protection for every single school is likely to be higher.

Preliminary analysis by local authority

Borough	Preliminary analysis per pupil amount	DSG 15/16 per pupil	% cash per pupil change
City of London	5,459	8,587	-36.4%
Hackney	5,690	6,673	-14.7%
Tower Hamlets	6,083	7,007	-13.2%
Newham	5,360	6,125	-12.5%
Greenwich	5,333	5,998	-11.1%
Lambeth	5,685	6,377	-10.8%
Haringey	5,271	5,871	-10.2%
Lewisham	5,368	5,964	-10.0%
Southwark	5,566	6,116	-9.0%
Hammersmith and Fulham	5,803	6,241	-7.0%
Islington	5,857	6,222	-5.9%
Barking and Dagenham	5,250	5,575	-5.8%
Camden	5,863	6,198	-5.4%
Kensington and Chelsea	5,586	5,866	-4.8%
Hounslow	4,957	5,203	-4.7%
Barnet	4,804	4,981	-3.6%

Harrow	4,769	4,920	-3.1%
Wandsworth	5,424	5,574	-2.7%
Waltham Forest	5,072	5,197	-2.4%
Ealing	5,167	5,289	-2.3%
Brent	5,232	5,350	-2.2%
Redbridge	4,707	4,799	-1.9%
Enfield	5,087	5,187	-1.9%
Richmond upon Thames	4,508	4,499	0.2%
Havering	4,735	4,719	0.3%
Bromley	4,587	4,545	0.9%
Hillingdon	4,879	4,824	1.1%
Sutton	4,736	4,670	1.4%
Kingston upon Thames	4,690	4,594	2.1%
Westminster	5,994	5,864	2.2%
Bexley	4,728	4,619	2.3%
Croydon	4,996	4,829	3.4%
Merton	4,992	4,824	3.5%

Leaders' Committee

London Councils Challenge

Item no: 8

Report by: John O'Brien **Job title:** Chief Executive
Date: 22 March 2016
Contact Officer:
Telephone: 020 7934 9509 **Email:** John.O'Brien@londoncouncils.gov.uk

Summary

This report provides information about the London Councils Challenge process in 2016 aimed at helping the organisation to position itself to continue to meet the evolving needs of its member authorities over the next five years.

Recommendations

That Leaders' Committee notes the London Councils Challenge process aimed at helping inform the organisation's thinking about what London local government requires from London Councils over the next five years.

London Councils Challenge

Introduction

1. This report updates members on a Challenge process in 2016 aimed at ensuring that London Councils continues to meet the evolving needs of its member authorities over the next five years.

Background

2. London's local authorities have been part of joint representative structures in the capital since the inception of the boroughs in their current form just over 50 years ago. For more than 20 years there has been a single, cross party representative organisation working on behalf of all the boroughs and the City of London Corporation. This was known as the Association of London Government between 1995 and 2006, when it was renamed London Councils.
3. In 2011 members undertook a Review of the Future Role, Size and Shape of London Councils. They concluded that:

London Councils' core purpose is to help London local government successfully shape London both as a world class capital city and its localities. Specifically, London Councils aspires to be:

- *a highly respected and influential lobbyist and advocate for boroughs, promoting their leadership of a broad range of local public services and communities, as well as fighting for them to get the resources, powers and freedoms necessary to play that role.*
- *a catalyst for effective sharing between boroughs – people, practice, knowledge, information and services. London Councils seeks to be instrumental in both challenging and supporting London local government to improve performance and efficiency*
- *a provider of a clearly defined range of quality and responsive services to Londoners and London organisations on boroughs' behalf.*

4. These core functions around lobbying and advocacy on behalf of all of London local government, co-ordination and bringing London local government together, as well as providing some specific services on the boroughs' collective behalf, is reflected in the current organisation.
5. The portfolio of activities under these headings does, of course, change over time to reflect shifting priorities and emphasis. In the past five years, for example, there has been the development of the London Pensions CIV as well as the London Ventures initiative growing out of the former Capital Ambition Programme. London Councils has responded to specific requirements at different times – the rapid mobilisation of Children's Safeguarding Advisers for example. Also, reflecting the significant increase in activity within and between sub-regional partnerships, London Councils' approach to lobbying government and sharing learning between boroughs has evolved. Moreover, the reform and devolution agenda has required London Councils to play a stronger brokerage role to help develop opportunities that can be applied more broadly across London local government.
6. So, London Councils has already been changing and adapting in very significant ways to meet the needs of its member authorities. To build on that success, however, it is vital that London Councils reflects on the sort of challenges London local government and boroughs will need to confront over the next five years and it is imperative that the organisation changes in ways that take account of that shifting environment.
7. Reform of public services, further devolution, changes in the basis of financing local government, significant budget reductions, evolving governance structures and the role and coverage of sub-regional groupings of boroughs will all have a bearing on this picture. London Councils must ensure that it is best placed to support councils to serve their local communities and London as a whole through this period.

Challenge Process

8. In order to help the organisation to consider that future, a Challenge process will help consider what London Councils needs to be capable of delivering on behalf of its members going forward. This initiative was discussed with Group Leaders over the winter and was endorsed by the London Councils Executive in January 2016.

9. A small team drawn, in part, from those who have experience of both political and managerial leadership in London local government, has been invited to conduct the Challenge. The output of its work will be a report, that will be made public, and which will be a contribution to the organisation's thinking about what future capability it requires.
10. Some form of external challenge by peers has, of course, come to be regarded as a positive and valuable route to further improvement by local government generally and many of our member councils have benefited from such processes.
11. The findings of this work – in particular any conclusions reached about the key roles and positioning of London Councils going forward to reflect a changing environment – will be a contribution to the thinking that members will wish to undertake later in 2016 on the future capabilities and operation of the organisation.

Core Objectives

12. The core objectives of such a Challenge process are to:
 - I. Reflect upon the evolution and achievements of London Councils in the context of what support London local government will require going forward.
 - II. Take account of a range of policy, service, resource and wider factors impacting upon London local government over the next five years and identify the potential impact of those on what is required from London Councils.
 - III. Set out a view of the sort of capability and characteristics that London local government will require London Councils to exhibit over the next five years.
13. Specifically, it is anticipated that the Challenge process will consider and take account of a range of factors, including:
 - the impact of any further devolution and public service reform in the capital and its potential impact on the overall governance and delivery of public services in London;

- changing patterns of collaboration amongst boroughs – often on a sub-regional basis. The challenge process will need to look at the evolution of such arrangements and identify what implications they, potentially, have for the operation of London Councils;
- the financial environment in which boroughs will be operating over the next five year period and the critical importance of London Councils in supporting boroughs to address those challenges effectively;
- the guiding principles and working assumptions that have underpinned the basis upon which cross party membership organisations (such as the Local Government Association and London Councils) have operated and the degree to which they remain at the heart of the governance and operating model of the organisation going forward;
- the relationship between elected members, operating on a collective basis, staff employed by London Councils and the managerial and professional leadership of London local government – via chief executives and chief officers. The process should consider how these contributions can be brought together to best effect to support London local government via London Councils;
- other major policy, service, resource and political changes (e.g. changes to Local Government Finance system, a new London Mayor) and the implications of those changes for the future role and activities of London Councils.

Conduct of the Challenge

14. Sir Derek Myers has agreed to lead the Challenge process. Sir Derek has long experience as Chief Executive of three London boroughs, has led reviews for Government and has been appointed by the Secretary of State as Lead Commissioner at Rotherham MBC. He is also Chair of Shelter. The remainder of the team is as follows:

- Councillor Richard Cornelius (Leader, London Borough of Barnet)
- Councillor Darren Rodwell (Leader, London Borough of Barking and Dagenham)
- Liz Meek (Chair, Centre for London and former senior Government Official)
- Gillian Norton (Chief Executive, London Borough of Richmond Upon Thames)
- Sean Harriss (Chief Executive, London Borough of Lambeth)
- Ian Hickman, who has experience as a London local government senior officer and of conducting review processes in the sector. He will be the Challenge Manager.

15. The Challenge Team will be inviting views from Leaders and a range of stakeholders. Sir Derek Myers will also discuss the key issues with members as part of shaping the team's conclusion and report.
16. The Challenge will be completed in time to allow the organisation to reflect on its conclusions in terms of informing decisions in the autumn of 2016 about capabilities, roles, budget and business plans going forward.

Recommendation

That Leaders' Committee notes the London Councils Challenge process in the first half of 2016 aimed at helping inform the organisation's thinking about what London local government requires from London Councils over the next five years.

IMPLICATIONS FOR LONDON COUNCILS

Financial Implications for London Councils

Any costs from the Challenge process will be met from within existing budgets.

Legal Implications for London Councils

There are no direct Legal implications for London Councils as a result of this report.

Equalities Implications for London Councils

There are no direct Equalities implications for London Councils as a result of this report.

Leaders' Committee

Business Plan 2016/17

Item no: 9

Report by: Christiane Jenkins **Job title:** Director, Corporate Governance
Date: 22 March 2016
Contact Officer: Christiane Jenkins
Telephone: 020 7934 9540 **Email:** Christiane.Jenkins@londoncouncils.gov.uk

Summary Following a series of meetings between the Chair and portfolio holders, this report outlines the themes, projects and work programmes which will form the content of London Councils Business Plan for 2016/17.

The draft business plan and work programmes were considered by the Executive Committee on 1 March 2016.

Recommendations Leaders' Committee is asked to:

- Note the content of London Councils Business Plan for 2016/17

Business Plan 2016/17

Background

1. As in previous years, London Councils will develop two levels of business plan; a high level plan available for external organisations and stakeholders and detailed internal work plans developed for management purposes.
2. This report outlines the proposed content for the high level business plan. It has been developed following discussions between portfolio holders and the Chair which took place between November 2015 and February 2016. Meetings have been held on the following areas of work:
 - Housing and Planning
 - Capital Ambition
 - Crime and Public Protection
 - Health
 - Devolution and Public Services Reform
 - Adult Services
 - Greater London Employment Forum (GLEF) and Greater London Provincial Council (GLPC)
 - Infrastructure and Regeneration
 - Transport and Environment
 - Grants
 - Finance & Resources, Welfare Reform and Culture and Tourism
 - Equalities
 - Children, Employment and Skills.
3. The business plan outlines the purpose of London Councils and the context in which we work. It identifies our overarching themes for 2016/17, the priority work planned and notes the principles which underpin the way we work.
4. The draft business plan was presented to the Executive Committee on 1 March 2016 and following that discussion, changes have been made accordingly.

Proposed Business Plan 2016/17 - Introduction and purpose

5. London Councils' core purpose is to help London local government successfully shape London both as a world class capital city and its localities. Specifically, London Councils aspires to be:
 - a highly respected and influential lobbyist and advocate for boroughs, promoting their leadership of a broad range of local public services and communities, as well as fighting for them to get the resources, powers and freedoms necessary to play that role;
 - a catalyst for effective sharing between boroughs – people, practice, knowledge, information and services. London Councils seeks to be instrumental in both challenging and supporting London local government to improve performance and efficiency;
 - a provider of a clearly defined range of quality and responsive services to Londoners and London organisations on boroughs' behalf.
6. This plan sets out the four broad, over-arching themes for the year that set all of our work into context. It describes the ways in which London Councils goes about its work – with members, member authorities and others.
7. Appendices one and two set out the individual projects and main work programme for the Policy and Public Affairs and Services Directorates, which underpin the overall work of the organisation, help deliver its core purpose and reflect its over-arching themes.

Context

8. In the context of 2016/17, London Councils needs to undertake this role against the backdrop of three significant challenges facing our member authorities. They are:
 - Supporting councils in their work to meet the challenges of significant further restrictions in funding over the spending review period to 2020.
 - Seeking to secure even greater devolution to London government and London boroughs in order to help drive a broader agenda of public service reform based

on close integration of local public services, a focus on managing service demand and helping boost sustainable growth across London. In particular, 2016/17 will see significant work in collaboration to boost housing supply and developing a potential London proposition to Government on Business Rate Devolution, working with boroughs and the Mayor of London.

- Ensuring that boroughs, individually and in groupings, are supported to exploit the reform opportunities that have been created, particularly in area such as Skills, Employment Support and Health.

London Councils Challenge

9. During 2016/17 London Councils will also be reflecting upon how best it can serve London local government over the next five years. A Challenge process has been commissioned to support the organisation and its members in this thinking. The outcome of this will, of course, impact upon business plans going forward in future years.

Themes

10. Our over-arching themes for 2016/17 are as follows:
 - Resourcing London. In a period of acute financial retrenchment, we will continue to work alongside our member boroughs and partners to:
 - Ensure the best possible public financing climate for London;
 - Provide support on proposed changes in the basis of financing local government and fiscal devolution following the 2015 Spending Review and the commitment to Business Rates Devolution;
 - Mitigate the impact of financial reductions upon London boroughs;
 - Support councils as they seek to manage significant reductions in their available funding.
 - Securing further devolution and localism. We will:
 - Continue to highlight the strong London argument for boroughs, groups of boroughs and the Mayor to be at the heart of commissioning a broader range of integrated local public services;
 - Work closely with the new Mayor of London to develop further the devolution settlement for London;

- Work to develop collaborative approaches to boosting housing supply;
 - Continue to play a strong brokerage role to help develop opportunities that can be applied more broadly across London local government, and, in particular, to support the implementation of the reform that has been agreed in areas such as Skills, Employment Support and Health;
 - Support London local government in its work to turn this into practice on the ground by supporting shared learning and developing London frameworks that allow this devolution to take place at local level.
- Supporting London Delivery. We will:
 - Provide a defined range of direct services to Londoners and London organisations directly on the collective behalf of boroughs;
 - Support London local government's collective efforts to enhance the effectiveness of public services across the capital;
 - Act as a focal point for brokerage and co-ordination between different London public services, the GLA group and boroughs on key delivery issues;
 - Work with key political, professional and managerial groupings across London local government to help strengthen the capacity of our membership to deliver high quality and cost effective services;
 - Continue to both host and foster the full development of the London CIV on behalf of London local government.
- Organisational Change. In the context of significant organisational changes in the last five years, we will focus on:
 - Preparing for and engaging with the London Councils Challenge process early in the new financial year;
 - Continue to manage our resources to drive on-going improvements in value for our member authorities, in a way which continues to meet the evolving needs of our member authorities over the next five years;
 - Equipping ourselves with the skills, knowledge and competences required to support London local government in this critical period;
 - Creating an environment in which we continue to attract talented people and challenge them to deliver outstanding performance;
 - Working with members to review key roles and positioning of London Councils going forward, to reflect a changing environment.

Directorate work programmes

11. Our directorate programmes detail the range of work that will support our overall objectives, all of which relate in some way to our over-arching themes of resourcing London, securing devolution and localism, supporting London delivery and organisational change.
12. These Directorate programmes are set out in detail in Appendices One and Two, attached.

The way we work

13. Underpinning the way we work is the following set of principles:
 - We are a cross party, politically led organisation motivated by our common commitment to the interests of London and London local government;
 - We seek to harness the power that comes from the practice and the people of our member authorities;
 - We work closely with a range of public, private and third sector partners across London and more broadly to secure our aims;
 - We work in partnership with the national Local Government Association and seek mutually to reinforce our respective work on local government's overall behalf;
 - We strive continuously to improve the efficiency and effectiveness of our organisation on behalf of our member authorities and seek to make London Councils an attractive and challenging place for people to develop their careers.

Next steps

14. As in the previous seven years, the high level business plan will be available online as hard copies will not be produced.

Recommendations

15. Leaders' Committee is asked to:
 - Note the content of London Councils Business Plan for 2016/17

Financial Implications for London Councils

16. The activities set out in the plan are contained within the 2016/17 budget approved by Leaders' Committee in December 2015.

Legal Implications for London Councils

17. There are no legal implications for London Councils arising from this report.

Equalities Implications for London Councils

18. There are no equalities implications for London Councils arising from this report.
- However, much of our core work is based on ensuring that equality and diversity issues are positively addressed. London Councils continues to ensure that equalities issues are taken fully into account in all service delivery programmes.
- In addition, the objectives which were identified in line with our obligations under the Equalities Act 2010 were recently reviewed as part of the Chair/Equalities portfolio holder meeting.
- The areas concerned include some of our policy work, communications and accessibility, both to our building and services. Our portfolio leads, our lead Member for Equalities, our Corporate Equalities Group and Trade Union side were engaged and/or consulted in the development/identification of these objectives.

Objectives:

- One: Policy - Tackling community disadvantage effectively;
- Two: Improving accessibility to London Councils website;
- Three: Improving accessibility to Freedom Pass and Taxicard;
- Four: Improving Freedom Pass take up;
- Five: Ensuring that the London Health Board supports improvement of the health of all Londoners, aiming for greater improvements in more disadvantaged communities;
- Six: Improving accessibility to London Tribunals website;
- Seven: Improving the accessibility to Southwark Street.

Full details can be found on our website at:

<http://www.londoncouncils.gov.uk/aboutus/equalities/equalities.htm>

Appendices:

- **Appendix One:** Policy and Public Affairs Priorities;
- **Appendix Two:** Services Priorities.

Appendix One

Policy & Public Affairs Directorate 2016/17 Business Plan Priorities

Cross Cutting

1. Securing devolution and public service reform in London.
2. Managing the impact of welfare reform: encouraging work.

Finance & Performance

3. Delivering a fair, financial outcome for local public services in London.
4. Building a consensus for fiscal autonomy, in particular through business rates devolution, to secure long-term financial resilience for London.
5. Supporting London to drive its own assurance, performance and improvement.

Housing and Planning

6. Facilitating faster housing delivery by public and private sectors across all tenures to meet the needs of all Londoners.
7. Developing solutions to address homelessness in London.
8. Ensuring the planning system supports effective place-making for a fast growing city.

Transport, Environment & Infrastructure

9. Strengthening local leadership for infrastructure investment.
10. Collaborating to enable boroughs to provide transport and environmental services at current or improved levels.

Economic Growth & Regeneration

11. Collaborating to accelerate London's economic growth.
12. Supporting local economic growth.
13. Securing devolution of the Work and Health Programme, facilitating the development of local employment hubs across London to enhance individual opportunity.
14. Securing devolution of adult skills funding, facilitating local influence on Area Reviews to improve skills and access to employment opportunities for Londoners.

Education & Children

15. Ensuring fair funding for schools and education which reflects London's growing population and the boroughs' leadership role.
16. Enabling leadership and partnership working which keeps children safe (including protection from child sexual exploitation) and improves services.
17. Shaping the development of a framework of support to children and parents during the early years.

Health & Social care

18. Strengthening local leadership and the financial position of health and care.
19. Realising the full potential of devolution agreements to transform health and care in London.
20. Leveraging well-being through public health.

Policing & Crime

21. Shaping London's local policing, public safety and rehabilitation of offenders.
22. Collaborating to tackle violent crime and extremism (to include gangs and violence against women).

NB: All programmes will take account of equalities implications and their linkage to borough work in this area.

Appendix Two

Services directorate – Business Plan Priorities 2016/17

Transport and Mobility

1. Successfully completing the 2016 Freedom Pass renewal project.
2. Negotiating the Freedom Pass annual settlements with TfL and other bus operators and a new Freedom Pass settlement arrangement with ATOC to keep increases to a minimum for 2017/18.
3. Continuing work with TfL on their Social Needs Transport Review and implementing any agreed proposals for more joint and consistent working between TfL and boroughs, particularly in relation to Dial-a-Ride and Taxicard.
4. Completing the retender process for Freedom Pass contract support for call centre, data management, application processing and card production services.
5. Completing the re-procurement of the provision of electronic data management and data transfer services for the London lorry Control Scheme and managing a smooth transition when the current contract ends.
6. Reviewing and updating where necessary the London Lorry Control Scheme and its signing infrastructure.
7. Publishing an updated parking code of practice and a revised Civil Enforcement Officer Handbook.
8. Continuing to provide debt registration services with the Traffic Enforcement Centre for the majority of London boroughs.
9. Continuing to run the TRACE service and review processes to ensure the service is delivered as effectively and efficiently as possible.
10. Continuing to run the London European Partnership for Transport (LEPT), completing both the STARS and PTP-Cycle LEPT projects and monitoring new European funding and knowledge exchange opportunities, and briefing Boroughs accordingly.
11. Continue to operate the Health Emergency Badge service, implementing recommended actions from the review of practices and processes to ensure the service is delivered as effectively and efficiently as possible.

London Tribunals

12. Continuing to provide the administrative support and infrastructure to the Environment and Traffic Adjudicators and Road User Charging Adjudicators.
13. Implementing new systems and processes to enable fully electronic transfer of appeals evidence and correspondence with enforcement authorities.
14. Prepare and submit a tender for the retention of the RUCA contract with the GLA.

Young People's Education and Skills

15. Provide regional leadership and influence - lobby for London, shape London's response to national and regional policies, manage relationships with the London Enterprise Panel and its Skills and Employment Working Group, and other stakeholders and strategic partners for both provision of and access to, skills and education.
16. Support the London Jobs and Growth Plan and other strategies through which partners and stakeholders work together to implement the Young Persons' Education and Skills strategy - publish a Statement of Priorities, manage a data and research programme, implement London Ambitions (the London Careers Offer) and support collaborative working.
17. Lead strategic services and activities - support local authorities in their plans to implement major reforms for young people with special educational needs and phase two of Raising the Participation Age through a series of task and finish groups.
18. Work with the London Enterprise Panel and other partners to maximise the impact of investment of the 2014-20 European Structural and Investment Fund youth programmes.

Capital Ambition

19. Support the London Ventures programme through working in partnership with the private sector, as well as promoting and advocating the products and services to London's local authorities.
20. Oversee the completion of the successful procurement of the new London Ventures contract.
21. Support key strategic projects and activities that align with Capital Ambition's core aims and objectives.
22. Manage the completion of the remaining original Capital Ambition programme projects.

Community Services and Grants

23. Successful review of the Grants programme, leading to changes in priorities and budgets, and a new cycle that will run from April 2017 to March 2021.
24. Successful establishment of the new ESF programmes that will run from early 2016 to the end of 2018.
25. Improvement in outcomes as the programmes more effectively combine employment support with support for homelessness and sexual and domestic violence reflecting boroughs' need for sustainable solutions.
26. Development of a new, more sustainable mode for London Care Services.
27. Agreement and implementation of the Notify review in terms of IT and other systems and the engagement and training of services.

Leaders' Committee

Summaries and Minutes

Item no: 10

Report by: Derek Gadd **Job title:** Head of Governance
Date: 22nd March 2016
Contact Officer: Derek Gadd
Telephone: 020 7934 9505 **Email:** Derek.gadd@londoncouncils.gov.uk

Summary Summaries of the minutes of London Councils

Recommendations Leader's Committee is recommended to note the attached minutes:

- GLPC – 22 October 2015
- Executive – 19 January
- TEC Executive – 11 February
- CAB – 18 February
- YPES – 25 February
- Executive – 1 March

Leaders' Committee

Report from the Greater London Provincial Council – 22 October 2015

Item no:

Report by: Selena Lansley **Job title:** Head of London Regional Employers Organisation
Date: 22 October 2015
Contact Officer: Selena Lansley
Telephone: 020 7934 9963 **Email:** Selena.lansley@londoncouncils.gov.uk

Summary: Summary of the minutes of the Greater London Provincial Council held on 22 October 2015

Recommendations: For information.

- 1. Attendance:** Cllr Colin Tandy (Bexley), Cllr Tim Stevens (Bromley), Cllr Alison Wells (Sub) (Camden), Cllr Toni Letts (Sub) (Croydon), Cllr Doug Taylor (Chair) (Enfield), Cllr Sophie Linden (Hackney), Cllr Katherine Dunne (Hounslow), Cllr Joanna Gardner (Kensington & Chelsea), Cllr David Glasspool (Kingston), Cllr Jenny Braithwaite (Sub)(Lambeth), Cllr Kevin Bonavia (Lewisham), Cllr Richard Clifton (Sutton), Cllr Angela Harvey (Westminster), April Ashley (UNISON), Vicky Easton (UNISON), Sue Plain (UNISON), Kim Silver (UNISON), Helen Steel (UNISON), Mary Lancaster (UNISON), Simon Steptoe (UNISON), Julie Kelly (UNISON), Gary Carter (GMB), Wendy Whittington (GMB), Gary Cummins (Unite), Danny Hoggan (Unite) and Susan Matthews (Unite).
- 2. In Attendance:** Selena Lansley (London Councils), Debbie Williams (London Councils), Mehboob Khan (Political Advisor to the Labour Group, London Councils), Jade Appleton (Political Advisor to the Conservative Group, London Councils) and Helen Chater (UNISON).
- 3. Apologies for Absence:** Apologies for absence were received from Cllr Dominic Twomey (Barking & Dagenham), Cllr Theo Blackwell (Camden), Cllr Tony Newman (Croydon), Cllr Paul McGlone (Lambeth), Jackie Lewis (UNISON), Sean Fox (UNISON), Dave Powell (GMB), Vaughan West (GMB), Kath Smith (Unite) and Onay Kasab (Unite)
- 4. Election of Chair and Vice-Chair for 2015/16:** Danny Hoggan (Unite) was elected Chair and Cllr Doug Taylor (Enfield) was elected as Vice Chair for 2015/16.
- 5. Minutes of the meeting held on 12 March 2015:** The minutes of the meeting held on 12 March 2015 were agreed.
- 6. Matters Arising: Item 4 - Matters Arising - UNISON Ethical Care Charter:** Sue Plain (UNISON), informed colleagues of a recent case which concerned a decision were workers who have no fixed workplace and spend each day travelling from home to their first customer and from their last customer to their homes. In this particular case it was ruled that this should be counted as working time and not a rest period under the Working Time Directive. Case reference: Federación de Servicios Privados del sindicato Comisiones obreras (CC.OO.) v Tyco Integrated Security SL, Tyco Integrated Fire & Security Corporation Servicios SA (ECJ) 5 CONTINUITY OF EMPLOYMENT: TUPE AND THE TIME

Further information on the case law can be found in the LGA bulletin attached which states 'the ECJ's finding only applies to mobile workers with no fixed place of work, and second, as the ECJ said, the Working Time Directive, save in relation to annual leave, does not apply to pay. Therefore, the method of remunerating workers in this situation is not covered by the Directive, meaning in practice that unless the contract provides otherwise, this case does not mean mobile workers have to be paid for the time they spend travelling from home to their first and last place of work.'



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Document

The union side reported that National Institute for Health and Care Excellence (NICE) has recommended that fifteen minute visits are too short and that these should be extended.

The union Side Joint Secretary, Vicky Easton (UNISON), informed colleagues that Southwark, Camden and Islington had now signed UNISON's Ethical Care Charter. The following boroughs will be signing up shortly Greenwich, Hounslow, Barking & Dagenham, Hammersmith & Fulham, Hackney, Croydon and Tower Hamlets.

Cllr Kevin Bonavia (Lewisham) asked that Vicky Easton contact him as Lewisham would also like to sign up to the Charter.

Cllr Jenny Braithwaite (Lambeth) informed colleagues that following this meeting she would enquire why Lambeth had not signed up to the Charter as yet.

The Chair informed colleagues that the Social Care Lead at the LGA also supported the work to ensure ethical care standards where maintained.

Cllr Angela Harvey (Westminster) informed the Union Side that a number of London boroughs brand their own standards which also support ethical practice.

7. To confirm the member of the GLPC and the Co-Secretaries of the GLPC: The Employers' Side Joint Secretary, Selena Lansley, updated colleagues following the circulation of the GLPC papers, as two new members on the Employers Side had been confirmed as Cllr Dominic Twomey (Barking & Dagenham) and Cllr David Glasspool (Kingston).

The updated membership of the GLPC for 2015/16 is attached for information.



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2003 Document

8. Update on London Living Wage: The Union Side asked the Employers Side whether any London boroughs had made a decision to increase the London Living Wage (LLW) in relation to the reduction in tax credits.

The Employers Side responded that this would be considered at a local level once the GLA announce the new LLW rate on 2 November 2015.

The Chair mentioned that some boroughs had been pro-active in giving advice to employees on the likely impact on their family income but more needed to be done to help families on low incomes who would be severely impacted by the welfare cuts.

Cllr Jenny Braithwaite (Lambeth) stated that advice drop-ins should be extended to residents not just staff.

Cllr Katherine Dunne (Hounslow) informed colleagues that Hounslow were already running programmes for local residents.

The summary list was noted.

9. National Pay Negotiations: Sue Plain (UNISON) informed colleagues that it was the unions understanding that the National Employers Side was considering the claim and so the Union Side are waiting a response.

The Union Side wished to note that hopefully both sides can reach agreement well before the 1 April 2016 implementation date.

10.. The Trade Union Bill and its Implications for Industrial Relations: Vicky Easton (UNISON) highlighted that the principal for both facilities time and check-off is enshrined in the Green Book. Section 18.1 of Part 2 (Key National Provisions) states "Authorities shall provide the recognised trade unions with facilities necessary to carry out their functions, including paid leave of absence to attend meetings concerned with the work of the NJC and Provincial Councils and the operation of a check off system whereby, with the consent of the individual, trade union dues are deducted from pay."

The Union Side are aware that these issues could have a significant and negative impact. Reducing facilities time would create problems for employers and trade unions as from experiences having the resources to sort out problems and issues quickly was often critical for the smooth running of services.

Well managed facilities time saves the employers money and generally speaking councils are fully reimbursed by the unions for any costs associated with the deduction of union subscriptions from payroll. The trade unions subscriptions is one of the many things deducted from an employee's pay.

Sue Plain (UNISON) reminded colleagues that the Greater London Provincial Council Job Evaluation scheme, which London boroughs use extensively, was designed and agreed due to a lot of joint work on building the scheme. The risk is that if this Bill goes through then any future work is likely to cease and there are lots of areas of joint working e.g. equalities, pensions, ethical care charter.

Simon Steptoe (UNISON) stated that this was an appalling attack on local democracy and that councils from all political persuasions should reject this Bill.

The union suggested two options on how to progress this important matter:

- Agreement to jointly refer the NJC and ask them to consider; or
- Refer to the Joint Secretaries for them to look at how we can move forward.

The Vice Chair responded noting the logical points raised by the Union Side and acknowledging the benefits for the employer in relation to facilities time and Check-Off facilities. The Employers Side Chair and Vice Chairs agreed to consider what contribution could be made to this issue.

11. Schedule of Outstanding Differences: Cllr Angela Harvey (Westminster) highlighted that compared to past years where disputes had remained unresolved for some time there were no current outstanding disputes and differences registered on the list and thanked the Joint Secretaries for their hard work at getting to this position.

12. Any Other Business: There was no further business.

13. Date of next meeting: The next meeting would be held on **Thursday 17 March 2016**
Group meetings will take place at 10.45am and the main meeting at 11.30am (or on the rising of the sides).

**Minutes of the Meeting of the Executive
Tuesday 19 January 2016 9:30am**

Mayor Jules Pipe was in the chair

Present

Member	Position
Mayor Jules Pipe	Chair
Cllr Claire Kober	Deputy Chair
Cllr Teresa O'Neill OBE	Vice chair
Cllr Ruth Dombey	Vice chair
Cllr Philippa Roe	
Mayor Sir Steve Bullock	
Cllr Peter John	
Cllr Ray Puddifoot MBE	
Mr Jeremy Mayhew	Substituting for Mr Mark Boleat
Cllr Imogen Walker	Substituting for Cllr Lib Peck
Cllr Ravi Govindia	

London Councils officers were in attendance.

1. Apologies for absence and announcement of deputies

Apologies for absence were received from Mr Mark Boleat for whom Mr Jeremy Mayhew substituted, Cllr Lib Peck for whom Cllr Imogen Walker substituted and Cllr Julian Bell.

2. Declaration of interest

No interests were declared.

3. Minutes of the Executive Meeting held on 17 November 2015

The minutes of the Executive meeting held on 17 November 2015 were agreed.

4. Devolution and Public Service Reform – Health, Skills and Employment Update

The report was introduced by the Chair:

- The report noted progress on components of the London Proposition for devolution since the Spending Review and alerted the Executive to consequential challenges that would require action during 2016
- The paper described specific aspects of the skills, employment and complex dependency and health and care devolution propositions that were being developed with partners in London and with central government
- There were five pilots agreed with the Government under the London Health and Care Collaboration Agreement which were intended to result in plans for the next four to five years when all boroughs, not just the pilots, would benefit from the learning achieved by them.
- There had been a number of meetings with DWP officials on employment since the CSR and it was intended to have a programme in place by March and a commissioning strategy by the summer
- There was pressure to see boroughs agree sub-regional geographies for commissioning both employment and skills provision in the near future, subject to the progress of devolution discussions with government.

In response to a question from Cllr Philippa Roe about whether there were opportunities for non-pilot boroughs to become a pilot, the Corporate Director, Policy and Public Affairs replied that the five pilots had been agreed with Government but if individual boroughs could produce innovative approaches they would be in a position to adopt them as soon as new powers came into existence.

Cllr Ray Puddifoot stressed the importance of the pilots but expressed his scepticism about the NHS's preparedness to change and pointed out that, unlike local government which had had to operate in the context of significant reductions in its funding, the NHS had not had to face such challenges.

The Executive agreed to note:

- The extent of sub-regional collaboration that would be needed to deliver effective employment and skills devolution
- That further decisions on an agreed sub-regional geography for devolved employment and skills provision in London were likely to be needed shortly.

5. *Legislation affecting Housing in London* was deferred.

6. Crossrail 2 update

Cllr Claire Kober introduced the report saying:

- An announcement about Crossrail 2 had been expected in the recent Spending Review and Autumn Statement but none was made
- A £300 million national Transport Development Fund was announced in the Spending Review
- The allocation of the fund would be influenced by the report of the recently established National Infrastructure Commission but funding for Crossrail 2 was by no means guaranteed
- We were looking into the possibility of a joint letter supporting Crossrail 2 between London Councils, East of England and South East Region before the National Infrastructure Commission reported in March 2016
- Lord Adonis who was chairing the National Infrastructure Commission, was attending a London Councils meeting on 9 February.

Cllr Teresa O'Neill mentioned an extension from Abbey Wood to Ebbsfleet supported by Kent County Council that would have a significant impact on growth in south-east London.

The Executive agreed to note the report.

7. Preparing for a new Mayoral Administration

The Director of Communications introduced the report saying that the Executive had agreed to produce a document outlining common areas where London Councils and

London Boroughs would seek to influence Mayoral candidates and the draft *Working Together for London* document was circulated.

In response to a question from Cllr Roe about the relative brevity of coverage of Housing, the Director of Communications replied that a balance was being struck between information that it was thought expedient to publish in detail and information that it was thought could better be developed in direct discussions. Mayor Bullock and Cllr Govindia concurred with this point and developed their thinking under item 5 (below).

Mr Jeremy Mayhew made the point that the language could be improved, whereas the form *...would expect...* was used in relation to London Councils the form *...will...* was used in relation to the Mayor of London and this seemed slightly presumptuous, especially as there was certain to be a new Mayor after May.

The Executive agreed to note the report and members would feed back detailed drafting points to the Director of Communications by 26 January..

At this point item 5 **Legislation affecting Housing in London** was taken.

The report was introduced by Mayor Sir Steve Bullock:

- Lobbying on the Housing and Planning Bill on behalf of borough interests was proceeding in the way set out in the report.
- Discussions on a collaborative vehicle to boost housing supply continued – both with City Hall and with Government. Inevitably, both the passage of the Bill and the impending Mayoral election were impacting upon these discussions and the pace of them.

Cllr Ravi Govindia argued that it was recognized that local authority land and other funds would need to be brought into play to achieve ambitions around the level of replacement homes for high value asset sales. He went on say that there needed to be a conversation about hard and soft infrastructure.

The Executive agreed to note:

- the update on the progress of legislation
- the recent announcement about homelessness and London Councils' approach to discretionary housing payments

8. Provisional Local Government Finance Settlement 2016-17

The Chair introduced the report by reporting on a meeting that he and Cllr O'Neill had had with Rt Hon Greg Clark MP, Secretary of State at CLG. The London Councils response to the consultation had been agreed by Group Leaders to meet the deadline, the response was circulated.

Cllr John pointed out that there was a strong feeling in the finance world that the counties would be successful in their lobbying to revisit the distribution approach that was contained in the Provisional Settlement. It was agreed that the Chair should write to the Secretary of State to continue to lobby on London's behalf.

In response to a point made by Cllr Claire Kober about *No Recourse to Public Funds* the Interim Director: Finance, Performance & Procurement replied that it was almost entirely a London issue and had not been mentioned in the settlement despite claims that it had been taken into account.

The Executive agreed to note the report and that the Chair would continue to lobby on London's behalf before the final Settlement.

9. London Councils Challenge

The Chief Executive introduced the report saying:

- This proposal originated from a discussion with party group leaders last year
- It was considered that now was a good time to reflect on what London Councils had achieved but also what was needed from it over the next five years

- It would be more a peer-based challenge and less a review

Cllr Kober questioned the proposal to use currently serving leaders. She did not see it necessarily as a conflict of interest issue but more about proximity whereby people who were too close to an issue may not be able to attain a perspective on it.

Cllrs O'Neill and Roe suggested that a combination would be the best approach.

The Executive agreed to note the intention to undertake a peer based London Councils Challenge process in the first half of 2016 aimed at helping inform the organisation's thinking about what London local government required from London Councils over the next five years.

The Executive ended at 10:50

	Item	Action	Progress
6.	Crossrail 2 Update <ul style="list-style-type: none"> • Look at the possibility of a joint letter supporting Crossrail 2 between London Councils, East of England and South East Region before the National Infrastructure Commission reported in March 2016 	Transport and Env'ment	In progress
7.	Preparing for a new Mayoral Administration <ul style="list-style-type: none"> • Review the language in the document. 	Comms	In hand
8	Provisional Local Government Finance Settlement 2016-17 <ul style="list-style-type: none"> • Chair to write to SoS to further lobby on London's behalf 	Fair Funding	Letter sent on 22/01/16

Leaders' Committee

Report from the TEC Executive Sub Committee – 11 February 2016

Item no:

Report by: Alan Edwards **Job title:** Governance Manager
Date: 22 March 2016
Contact Officer: Alan Edwards
Telephone: 020 7934 9911 **Email:** Alan.e@londoncouncils.gov.uk

Summary: Summary of the minutes of the London Councils' TEC Executive Sub Committee held on 11 February 2016

Recommendations: For information.

1. Attendance: Cllr Julian Bell (LB Ealing – Chair), Cllr Feryal Demirci (LB Hackney), Cllr Tim Coleridge (RB Kensington & Chelsea), Cllr Alan Smith (LB Lewisham), Cllr Darren Merrill (LB Southwark), Cllr Jill Whitehead, Cllr Heather Acton (City of Westminster). Michael Welbank (City of London) and Marianne Fredericks (City of London)

2. Apologies for Absence

Cllr Alex Sawyer (LB Bexley), Cllr Daniel Anderson (LB Enfield), Cllr Claudia Webbe (LB Islington) and Cllr Caroline Usher (LB Wandsworth)

3. Transport & Mobility Performance Data

The TEC Executive Sub Committee received a report that detailed the London Councils' Transport and Mobility Services performance information for Q2 and Q3 of 2015/16

The TEC Executive Sub Committee noted the report and the amendments to the Q2 figures, as tabled at the meeting.

4. OLEV Go Ultra Low City Scheme

The TEC Executive Sub Committee considered a report that informed members of the announcement that London was one of the four winning cities in the Office for Low Emission Vehicles "Go Ultra Low City Scheme". London had been awarded the sum of £13,000,000 in capital funding and £240,000 in revenue funding over the period of 2016-2020. It was suggested that a Programme Board and a Working Group be established to drive the implementation of the bid proposals.

The TEC Executive Sub Committee **(i)** noted the establishment of a Programme Board to determine priorities, set milestones, and drive progress of the delivery of the London Go Ultra Low Scheme, **(ii)** agreed TEC representation on that board to take the form of TEC Chair and Labour and Conservative vice chairs, **(iii)** authorised officers from London Councils, in partnership with TfL and GLA, to agree the Terms of Reference for the Programme Board and Working Group; and **(iv)** authorised officers from London Councils, in partnership with TfL and the GLA, to agree a Memorandum of Understanding

5. Month 9 Revenue Forecast 2015

The TEC Executive Sub Committee received a report that outlined actual income and expenditure against the approved budget as at 31 December 2015 for TEC, and provided a forecast of the outturn position for 2015/16. At this stage, a surplus of £562,000 was forecast over the budget figure.

The TEC Executive Sub Committee **(i)** agreed that the “Total Income” figure of 2712, at the bottom of the “Variance” column (Table 1 in the report), should not be in brackets, **(ii)** noted the projected surplus of £562,000 for the year, plus the forecast underspend of £1.395 million for overall Taxicard trips, as detailed in the report; and **(iii)** noted the projected level of Committee reserves, as detailed in paragraph 5 of the report, and the commentary on the financial position of the Committee in paragraphs 6-7

6. Minutes of the TEC Main meeting held on 10 December 2015 (for noting)

Item 4: TfL and Borough Bus Service Engagement, Q and As (page 4, 1st paragraph):

It was noted that LB Sutton had only received one new bus from TfL, which had consequently broken down, and the minutes needed to be amended to reflect this.

Subject to this amendment, the minutes of the TEC main meeting on 10 December 2015 were noted.

7. Minutes of the TEC Executive Sub Committee meeting held on 24 November 2015 (for agreeing)

Item 3: “London Sustainable Drainage Action Plan”, Q and As, page 3 (paragraph 3):

It was agreed to remove “the high streets” in the sentence “She (Cllr Whitehead) said that rain gardens in the high streets had made a big difference” and replace with “district centres”.

Subject to the above amendment, the minutes of the TEC Executive Sub Committee held on 24 November 2015 were agreed as an accurate record.

The meeting finished at 10.05am.

Meeting of the Capital Ambition Board

Thursday 18 February 2016, 10:00

London Councils, Conference Suite, 59½ Southwark Street, London SE1 0AL

Members

Edward Lord OBE JP
Cllr Stephen Alambritis
Cllr Jas Athwal
Cllr Nicholas Paget-Brown

Borough

City of London (Chair)
LB Merton
LB Redbridge
RB Kensington & Chelsea

London Councils

Nick Lester-Davis
Frank Smith
Thomas Man
Lisa Henry
Juan Lopez Pinzon
Clive Grimshaw

Corporate Director, Services
Director of Corporate Resources
Head of Capital Ambition
Capital Ambition Programme Manager
Capital Ambition Project Manager
Acting Strategic Lead for Health and Adult Social
Care/Head of Children's Services
Head of Budgetary Control and Procurement

Andy Pitcairn

Advisers

Nathan Elvery
Martin Smith
Rob Leak
Fiona Fletcher-Smith

LB Croydon
LB Ealing
LB Enfield
Executive Director of Development, Enterprise and
Environment, GLA

Board Secretariat

Alan Edwards

Governance Manager

EY

Neil Sartorio
Victoria Evans
Louise Warman

Director, Local Public Services
Manager, Local Public Services
Manager, Local Public Services

The Behavioural Insights Team

Tim Pearce

Head of Local Government

1. Apologies for absence and announcement of Deputies

- 1.1 Apologies were received from Cllr David Simmonds OBE (LB Hillingdon) and Mike O'Donnell (Finance Director, LB Camden).
- 1.2 The Chair apologised for the late distribution of CAB papers and last minute changes to a number of reports. He said that there was insufficient time to read the reports fully and this risked impacting on any debates.
- 1.3 The Chair also wanted to recognise the contribution of Martin Smith who attended his last meeting of the Capital Ambition Board as an adviser, and wish him every success in his future endeavours.

2. Declarations of interest

- 2.1 There were no declarations of interest.

3. Minutes of the meeting held on 8 December 2015

- 3.1 The minutes of the non-exempt part of the meeting held on 8 December 2015 were agreed as an accurate record.

4. Director's Report

- 4.1 Nick Lester-Davis introduced the Director's report and informed the Board that an additional report had been tabled, that gave a longer-term overview of CAB finances, proposals and expenditure commitment up to March 2019. If all of the London Ventures and other Capital Ambition funded activities went ahead as proposed, the CAB fund will stand at £323,000 by the end of financial year 2018/19.
- 4.2 Martin Smith (Chief Executive, LB Ealing) asked about the £1.149 million forecast project spend from 2016/17 to 2018/19 in Appendix A of the revised agenda item 4. Nick Lester-Davis said that related to London Ventures, the majority of this was dependent on the procurement process.
- 4.3 Members noted the Director's report, which provided an update on the financial position, work programme and news items.

5. Behavioural Insights and Croydon Project Proposal

- 5.1 Nathan Elvery (Chief Executive, LB Croydon) introduced the report and made the following comments:
- Behavioural science can be applied at a process level, with straightforward processes like council tax and business rates collection, individual electoral registration, and waste and recycling to be considered in the first instance. LB Croydon would lead on piloting these more simple processes.
 - More complex areas would require a "whole system approach" and require trials and pilots involving other boroughs.
 - More complex areas included work around health and social care (especially hospital discharges).
 - Children's care – ways of using behavioural science to influence children in order to prevent them going missing could be an area of investigation.
 - It was proposed to carry out the pilots on the simpler projects first, and conduct scoping studies into the more complex areas. The Board would receive these reports and decide if to commit further funds to undertake trials or pilots.
- 5.2 Councillor Alambritis said that he was more interested in the complex areas, as LB Merton was already proficient in collecting council tax and business rates, and dealing with waste and recycling etc. He asked why it needed additional time before being able to tackle the more complex issues. Nathan Elvery expanded on his introduction: the nature of the complex issues require more system-wide changes, as improvements in one stage of a process could be easily undone if the next stage of the process is unchanged. Councillor Alambritis said that LB Merton would like to be part of a pilot looking into hospital discharge.
- 5.3 Councillor Alambritis asked whether there was any financial gain by putting money into improving the electoral registration process. Nathan Elvery said that there was not a large financial gain, although the electoral register is used in estimating population, which does have a financial impact. Additionally it is important that all of a borough's residents that are eligible are registered to vote. The Chair said that there was value in this.
- 5.4 Councillor Paget-Brown said that RB Kensington and Chelsea was very focussed on child protection as a borough, and would like to be part of any pilot in this space..

5.5 Members of CAB:

- Agreed to award LB Croydon a grant of up to £120,000 to run two, or three behavioural insights trials in the simpler process areas, and conduct scoping studies into four more complex policy areas over the financial year 2016/17.
- Agreed to return, at a later stage, dependent upon the results of the scoping studies, to the issue of providing a grant of up to £200,000 to fund trials in two more complex policy areas in financial year 2017/18.

6. Tap-it Marketing Report

- 6.1 Lisa Henry (Capital Ambition Programme Manager) introduced the report. She informed members that more detailed engagement with boroughs had taken place and further refinements had been made to the “Tap-it” safety app. Lisa Henry noted that during workshops with Boroughs it had become clear that whilst they had the ability to reach known service users they had much less capacity to develop marketing material. Having a set of common marketing material that they could use locally, and some London-wide marketing will improve the likelihood of project success.
- 6.2 Members approved the investment of £75,000 of its operational budget from each of the years 2015/16 and 2016/17, up to a maximum of £150,000, to develop and deliver a marketing plan for the Tap-it app.

7. London Ventures Programme Summary

- 7.1 Neil Sartorio (Director of Local Public Services, EY) introduced the London Ventures Programme Summary report and made the following comments:
- It was the third birthday of London Ventures. Over three years the programme has developed an identity, brand, and a diverse portfolio of projects and services. Ranging from aiming to make children safer, to energising communities and to protecting public funds.
 - Almost two thirds of London boroughs were now engaged in the programme and implementing at least one London Ventures. Companies were also approaching EY enquiring about the London Ventures programme.
 - It was hoped to make the brand even bigger in three years' time and to invest more.
- 7.2 Following the introduction from EY, the Chair asked for it to be minuted that he would like to remind EY to refrain from referring to the current London Ventures procurement exercise during the course in any future business being considered by the Board, until the outcome of that procurement exercise was complete.
- 7.3 The Chair thanked EY and the boroughs for their engagement with the London Ventures Programme

8. Any Other Business

- 8.1 There was no other business.

Members resolved to exclude the press and public from the meeting for the exempt part of the meeting.

The meeting finished at 10.55am

Young People's Education and Skills Board

Date 25 February 2016 **Venue** London Councils

Meeting Chair Cllr Peter John OBE

Contact Officer: Neeraj Sharma

Telephone: 020 7934 9524 **Email:** Neeraj.sharma@londoncouncils.gov.uk

Present

Cllr Peter John OBE	Executive member for children, skills and employment (Chair)
Jack Morris OBE	London Enterprise Panel (vice-chair)
Gail Tolley	Association of London Directors of Children's Services (ALDCS) (vice chair)
Dr Caroline Allen OBE	AoC/Association of National Specialist Colleges
Dr Graeme Atherton	AccessHE - Higher Education representative
Caroline Boswell	Greater London Authority (GLA) (on behalf of Munira Mirza)
Yolande Burgess	London Councils Young People's Education and Skills
Denise Donovan	Department for Work and Pensions (on behalf of Derek Harvey)
Arwel Jones	Association of School and College Leaders
Negat Lodhi	Skills Funding Agency (on behalf of Jill Lowery)
Sir Frank McLoughlin CBE	Association of Colleges (AoC) - Further Education Colleges Representative
Dr Jane Overbury OBE	AoC - Sixth Form Colleges representative
Pat Reynolds	ALDCS

Guests and Observers

Michael Heanue	LEP officer
Julian Molina	University of Warwick
Mary Vine-Morris	AoC London Region

Officer(s)

Peter O'Brien	London Councils Young People's Education and Skills
Neeraj Sharma	London Councils Young People's Education and Skills

Apologies

Philip Barron	LEP Skills and Employment Working Group
Vic Farlie	London Work Based Learning Alliance
Derek Harvey	Department for Work and Pensions
David Jeffrey	Education Funding Agency
Nick Lester-Davis	London Councils
Jill Lowery	Skills Funding Agency
Munira Mirza	Greater London Authority
Tim Shields	Chief Executives London Committee
Cllr David Simmonds	Shadow Executive member for children, skills and employment

1 Welcome and introductions

- 1.1 Cllr John welcomed attendees to the meeting

2 Declarations of Interest

- 2.1 No interests were declared.

3 Notes and Matters Arising from the last meeting

- 3.1 Delays in the tendering of European Social Fund (ESF) funding posed a real risk to several programmes of support targeted at young people across London. It was agreed this would be raised at the next meeting of the London Enterprise Panel (LEP) and the London European Social Investment Fund (ESIF) Committee. The Young People's Education and Skills team would update the Board should there be further ESF developments.

4 Work plan 2016-17

- 4.1 Board members received a paper outlining the 2016-17 work plan for Young People's Education and Skills. Overall, there was strong support for the work-plan but it was suggested amendments needed to be made to strengthen the plan. It was agreed: (i) Area Based Reviews would be included; (ii) that those aspects of the special educational needs and disability reforms the Young People's Education and Skills team would be supporting should be explicitly stated, and; (iii) to more closely align with the work of the LEP and Greater London Authority (GLA), work relating to business, the economy and jobs should be made more prominent within the work plan.

5 Vision 2020

- 5.1 Board members were informed that during the course of the discussion and approval of this year's annual statement of priorities, it was agreed at the last Young People's Education and Skills Board meeting to consider the merits of publishing an updated vision of young people's education and skills in London to cover the current spending review period (to 2020).
- 5.2 The Board received a paper that outlined the advantages and disadvantages of producing a 2020 vision. Members stated that a vision up to 2020 that reflected the purpose and ambition of the Young People's Education and Skills Board was needed and it should complement the visions of organisations represented on the Board. There was a strong opinion in the room that, given the work undertaken by the LEP to agree young people's priorities within the over-arching Skills Vision for London, these priorities should form the basis of the vision.
- 5.3 It was agreed that a paper proposing a vision up to 2020 should be put forward to the Young People's Education and Skills Board.

6 London Ambitions update

- 6.1 Board members were provided with a verbal update from Yolande Burgess, Strategy Director Young People's Education and Skills, on the latest developments with London Ambitions. A London Ambitions champion had been identified in each London local authority, Prospects (delivering the National Careers Service agenda in London) has appointed a London Ambitions manager and Sam Gyimah MP, Parliamentary Under Secretary of State for Childcare and Education acknowledged London Ambitions as an exemplar in response to a parliamentary question.

- 6.2 A meeting has been arranged between London Councils, the LEP and Sam Gyimah MP to discuss London Ambitions in further detail so as to inform the Department for Education's career's strategy, which is due to be published in the spring. It was agreed that an update from this meeting would be shared with the Board at its next meeting.

7 Policy update

- 7.1 Board members received a report that highlighted some of the key policy changes and updates since the last meeting in November 2015.
- 7.2 The contents of the paper were noted by members.

8 Raising the Participation Age

- 8.1 Board members received a set of papers that outlined key performance data for London, namely GCSE, A level and other level 3 results, destination measures for key stage 4 and 5 pupils, and the latest statistics on young people not engaged in education, employment or training (NEET).
- 8.2 Board members: (i) noted the content of the paper and; (ii) agreed it would be helpful to have a fuller conversation at the next Young People's Education and Skills Board meeting on vocational routes to employment, particularly Apprenticeships.

9 AOB

- 9.1 There were no items of other business.

**Minutes of the Meeting of the Executive
Tuesday 1 March 2016 9:30am**

Cllr Claire Kober was in the chair

Present

Member	Position
Mayor Jules Pipe	Chair
Cllr Claire Kober	Deputy-chair
Cllr Teresa O'Neill OBE	Vice-chair
Cllr Ruth Dombey	Vice-chair
Mr Mark Boleat	
Mayor Sir Steve Bullock	
Cllr Ray Puddifoot MBE	
Cllr Lib Peck	

London Councils officers were in attendance.

1. Apologies for absence and announcement of deputies

Apologies for absence were received from Cllr Philippa Roe, Cllr Peter John OBE and Cllr Julian Bell and for lateness from Mayor Jules Pipe. Executive Deputy-chair Cllr Claire Kober chaired the meeting in Mayor Pipe's absence.

2. Declaration of interest

No interests were declared.

3. Minutes of the Executive Meeting held on 19 January 2016

Under matters arising Cllr Teresa O'Neill raised the question of the effect of measures in the Immigration Bill on boroughs responsibilities towards those seeking support under No Recourse to Public Fund Arrangements and officers advised that the effects of those measures were presently unclear but would be kept under review.

The minutes of the Executive meeting held on 19 January 2016 were agreed.

4. Business Plan 2016/17

The Chief Executive introduced the item saying that following a series of meetings between the Chair and portfolio holders, the business plan for 2016/17, including the proposed purpose, themes, work programmes and services would be submitted to the Leaders' Committee meeting on 22 March for consideration.

Mr Mark Boleat asked whether any connection was being made between Transport/Mobility and Education/Skills because young people faced high transport costs if obliged to travel for work. Currently the system in London benefitted the elderly rich and disadvantaged the young poor. Cllr Ruth Dombey concurred with this point saying that the cost of transport was not mentioned in Area-Based Reviews on Further Education.

The Deputy-chair asked for officers to take on board the points made and the Executive agreed to note that the Business Plan would be submitted for noting at Leaders' Committee on 22 March 2016 incorporating comments from this meeting.

5. Month 9 Revenue Forecast 2015/16

The Director of Corporate Resources introduced the report explaining problems that had emerged with the Grants budget because the ESF programme that had been scheduled to start in January 2016 had slipped into the next financial year and some provision may need to be made in the summer to cover any deficit.

Mayor Jules Pipe arrived but the Deputy-chair continued to chair the meeting.

Cllr Ray Puddifoot MBE commended the report as representing a good financial position to be in but expressed concern over the use of balances when there were challenges ahead for London Councils. In reply the Director of Corporate Resources pointed out

that since the last review, balances had been used to avoid increasing the amount paid by boroughs in subscriptions.

The Executive agreed to note the overall forecast surplus as at 31 December 2015 (Month 9) of £1.989 million and note the position on reserves as detailed in the report.

6. Debtors Update Report

The Director of Corporate Resources introduced the report saying that, as is ever the case with these debtors reports, the figure for debt had fallen since the report was circulated – from £2.25m to £791,000 – and all the borough debts except that of R.B. Kensington and Chelsea had been cleared.

The Executive agreed to:

- Note the level of outstanding debt
- Approve the write-off of £1,485.75 in respect of the invoice to the Community Development Institute (CDI) to recover unused European Social Fund (ESF) community grant funding and
- Note the specific action being taken in respect of significant debtors, as detailed in the report.

The Executive resolved to remove the press and public.

The Executive ended at 9:50

	Item	Action	Progress
4.	Business Plan 2016/17	CG	
	<ul style="list-style-type: none">• Submit the Business Plan for noting at Leaders' Committee on 22 March 2016 incorporating comments from this meeting.		