

# Leaders' Committee

## London Councils Challenge

Item no: 8

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**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.