

# Leaders' Committee

## Summaries and Minutes

Item no: 10

**Report by:** Derek Gadd      **Job title:** Head of Governance  
**Date:** 7 February 2017  
**Contact Officer:** Derek Gadd  
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**Summary**      Summaries of the minutes of London Councils

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

- GLPC – 12 October 2016
- Capital Ambition – 11 October 2016
- Pensions – 18 October 2016
- Grants Committee – 23 November 2016
- Pensions CIV Sectoral Joint Committee – 13 December 2016
- CAB – 13 December 2016
- TEC – 8 December 2016
- Executive – 17 January 2017

# Leaders' Committee

## Report from the Greater London Provincial Council – 12 October 2016

Item no:

**Report by:** Selena Lansley      **Job title:** Head of London Regional Employers Organisation  
**Date:** 7 February 2017  
**Contact Officer:** Selena Lansley  
**Telephone:** 020 7934 9963      **Email:** Selena.lansley@londoncouncils.gov.uk

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**Summary:** Summary of the minutes of the Greater London Provincial Council held on 12 October 2016

**Recommendations:** For information.

**Attendance:** Cllr Faruk Choudhury (Sub) (Barking & Dagenham), Cllr Colin Tandy (Bexley), Cllr Theo Blackwell (Camden), Cllr Colin Hall (Sub) (Croydon), Cllr Doug Taylor (Chair) (Enfield), Cllr Carole Williams (Hackney), Cllr Richard Foote (Hounslow), Cllr Paul McGlone (Lambeth), Cllr Kevin Bonavia (Lewisham), Cllr Simon Wales (Sutton), Cllr Guy Senior (Sub for K&C) (Wandsworth), Cllr Angela Harvey (Westminster), Jamie Brown (UNISON), Sean Fox (UNISON), Sue Plain (UNISON), Irene Stacey (UNISON), Maggie Griffin (Sub) (UNISON), Jackie Lewis (UNISON), Janet Walker (UNISON), Mary Lancaster (UNISON), Dave Powell (GMB), Vaughan West (GMB) and Danny Hoggan (Unite).

**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 Julie Kelly (UNISON).

**1. Apologies for Absence:** Apologies for absence were received from Cllr Dominic Twomey (Barking & Dagenham), Cllr Tim Stevens (Bromley), Cllr Tony Newman (Croydon), Cllr Gerard Hargreaves (Kensington & Chelsea), Cllr David Glasspool (Kingston), April Ashley (UNISON), Kim Silver (UNISON), Helen Reynolds (UNISON), Tony Smith (GMB), Wendy Whittington (GMB), Gary Cummins (Unite), Kath Smith (Unite), Susan Matthews (Unite) Jane Gosnell (Unite) and Onay Kasab (Unite).

**2. Election of Chair and Vice-Chair for 2016-17:** Cllr Doug Taylor (Enfield) was elected Chair and Sue Plain (UNISON) was elected as Vice Chair for 2016-17.

**3. Minutes of the meeting held on 17 March 2016:** The minutes of the meeting held on 17 March 2016 were agreed.

**4. Matters Arising: Item 4 - Matters Arising - UNISON Ethical Care Charter** Jackie Lewis (UNISON) highlighted the recent cases on the BBC relating to seventeen care

workers alleging failure to be paid the minimum wage in the sector's biggest ever legal claim in the LB Haringey. This raises concerns that issues could be broad and not just limited to travel time. Workers could be being short changed elsewhere.

The Chair responded that the Employers' Side Joint Secretary will bring the issues to the attention of the Heads of HR.

Jackie Lewis (UNISON) enquired whether there had been any progress with the LB Lambeth signing the Charter.

The Employers' Side Joint Secretary responded that Lambeth has a willingness to sign the Charter and are currently working through issues to how they make this happen.

Cllr McGlone (Lambeth) added that Lambeth are making sure they are delivering the service before they sign the Charter. Lambeth have a considerable number of people who are receiving the London Living Wage (LLW). Lambeth are also working towards the next Charter in relation to residential care.

Jackie Lewis responded that UNISON would wish Lambeth and other London boroughs sign the Charter. It signals a message from London in relation to the labour market, where a borough is paying the LLW this will encourage people to apply for work in this authority than in an authority which is not.

**5. To confirm the membership of the GLPC and Co-Secretaries of the GLPC:** The attached membership of the GLPC and Co-Secretaries for 2016-17 was noted and agreed.

#### **GLPC MEMBERSHIP 2016/17**

##### **Employers' Side**

Cllr Dominic Twomey, Barking & Dagenham  
Cllr Colin Tandy, Bexley  
Cllr Tim Stevens, Bromley  
Cllr Theo Blackwell, Camden  
Cllr Tony Newman, Croydon  
Cllr Doug Taylor, Enfield  
Cllr Sophie Linden, Hackney  
Cllr Richard Foote, Hounslow  
Cllr Gerard Hargreaves, Kensington & Chelsea  
Cllr David Glasspool, Kingston  
Cllr Paul McGlone, Lambeth  
Cllr Kevin Bonavia, Lewisham  
Cllr Simon Wales, Sutton  
Cllr Stuart Emmerson, Waltham Forest  
Cllr Angela Harvey, Westminster

##### **Union Side**

##### **UNISON**

Helen Reynolds  
April Ashley  
Sean Fox  
Mary Lancaster  
Jackie Lewis  
Sue Plain  
Simon Steptoe  
Janet Walker

Irene Stacey

**GMB**

Dave Powell  
Tony Smith  
Vaughan West  
Wendy Whittington

**UNITE**

Onay Kasab  
Gary Cummins  
Danny Hoggan  
Kath Smith  
Susan Matthews  
Jane Gosnell (Reserve)

**Co-Secretaries:** Helen Reynolds and Selena Lansley

Sue Plain (UNISON) wished to raise and inform colleagues that the Union Side Joint Secretary, Vicky Easton, had recently retired and would like to note and thank Vicky for all the effort she has put in over the years. Vicky landed the role in a time of the work of the Gold Book (London Agreement) and the list of disputes/differences had been quite extensive for a number of years, which have now been resolved.

Vicky's recent work also covers the refresh of the GLPC Job Evaluation Scheme.

Colleagues in attendance commended Vicky for all her hard work and dedication over the years.

The Chair added thanks for all her work on behalf of this body and wished her well.

Cllr Angela Harvey (Westminster) added that Vicky was always a good person to work with and it has been a pleasure to have worked and known Vicky.

The Chair agreed to draft a letter of thanks to Vicky which will be co-signed by the Union Side.

**6. NJC Pay Spine Review – agreed Terms of Reference:** Sue Plain (UNISON) highlighted that the pay settlement for 2016-18 included a review of the pay spines nationally and as stated in the NJC letter of 22 August 2016 any review will 'take into account the potential impact on pay arrangements in London.'

There is a need to have a London view on this and the Union Side welcome that this has been recognised.

Dave Powell (GMB) reminded the Employers' Side that also part of the pay deal is to review School Terms and Conditions of Service and London may also want some input in to this review at some point.

The Employers' Side Joint Secretary responded that this is a national review and understands that the terms of reference are currently being considered, not agreed.

**7. Review of the GLPC guidance on Shared Services:** Dave Powell (GMB) informed colleagues that due to the rise in shared service agreements in London and across the country the Union Side ask that the Employers' Side agree to the Joint Secretaries revisiting the existing guidance to see if it needs to be updated. The world has moved on since this was originally produced in 2012.

The Employers' Side agreed that the Joint Secretaries re-visit the guidance and come back to GLPC with any recommendations at a later date.

**8. London Living Wage Summary:** The London Living Wage summary below was noted. The summary shows that overall 28 London boroughs are or have agreed to pay directly employed staff the minimum of the LLW (13 boroughs are accredited as Living Wage Employers).

**Implemented arrangements specifically to address this**

Barking & Dagenham  
Barnet  
Brent\*  
Camden\*  
Croydon\*  
Ealing\*  
Enfield\*  
Greenwich\*  
Hackney  
Hammersmith & Fulham\*  
Haringey  
Harrow  
Hillingdon  
Hounslow\*  
Islington\*  
Kingston (as of 1.4.16)  
Lambeth\*  
Lewisham\*  
Merton  
Newham  
Redbridge  
Richmond  
Southwark\*  
Sutton  
Tower Hamlets\*  
Waltham Forest  
Wandsworth  
Westminster

**Current position under review**

Kensington & Chelsea  
Havering

**Considered and will not be taking any action at this stage**

Bexley  
Bromley

\* Accredited London Living Wage employers

**9. Schedule of Outstanding Differences:** The Chair Cllr Doug Taylor congratulated the Joint Secretaries for their hard work at getting to the position of no outstanding disputes and differences registered on the list.

**10. Any Other Business;** There was no further business.

**11. Date of next meeting:** The next meeting would be held on **Thursday 9 March 2017**. *Group meetings will at 10am and the main meeting at 11.30am (or on the rising of the sides).*

**The meeting was concluded at 15.14.**

**GLPC Meeting Date for 2017**

**GLPC AGM**

19 October 2017

Group Meeting: 10am

# Meeting of the Capital Ambition Board

**Tuesday 11 October 2016, 13:00**

**London Councils, Room 5, 59½ Southwark Street, London SE1 0AL**

## **Members**

Edward Lord OBE JP  
Cllr Jas Athwal  
Cllr David Simmonds CBE

## **Borough**

City of London (Chair)  
LB Redbridge  
LB Hillingdon

## **London Councils**

Nick Lester-Davis  
Frank Smith  
Andy Pitcairn  
Thomas Man  
Hannah Barber  
Jade Appleton

Corporate Director, Services  
Director of Corporate Resources  
Head of Budgetary Control and Procurement  
Head of Capital Ambition  
Capital Ambition Project Officer  
Political Advisor to the Conservative Group

## **Advisers**

John Comber  
Mike O'Donnell

Chief Executive, RB Greenwich  
Executive Director of Corporate Services, LB Camden

## **Board Secretariat**

David Dent

Principal Corporate Governance Officer

## **EY\***

Darra Singh  
Neil Sartorio  
Victoria Evans

Partner, Local Public Services  
Partner, Local Public Services  
Senior Manager, Local Public Services

\* from item 6.6 onwards

### **1. Declarations of Interest**

1.2 There were no declarations of interest.

### **2. Apologies for absence**

2.1 Apologies were received from Cllr Stephen Alambritis, Cllr Nicholas Paget-Brown. Apologies were also received from Paul Najsarek (LB Ealing).

### **3. Minutes of the meeting held on 11 July 2016**

3.1 The minutes of the non-exempt part of the meeting held on 11 July 2016 were agreed as an accurate record.

### **4. Capital Ambition - Director's Report**

4.1 Thomas Man introduced the report, which set out a summary of the Capital Ambition activity. There were no exceptions to report, and he felt that the report relayed positive progress across the Capital Ambition programme.

4.2 Cllr Simmonds felt that it would help understanding of the report to obtain feedback from local authorities participating in the programme on the impact in the pilots. The Chair agreed that this would be useful where, for example in the case of the London Borough of Croydon, a change of Chief Executive mid programme led to a review of priorities. It was agreed that officers would incorporate views from Chief Executives in Director's reports going forward, with the possibility of Chief Executives attending CAB in future to express their views.

4.3 Members noted the report.

## **5. Change to Capital Ambition Board's Terms of Reference**

5.1 The Chair confirmed that Leaders Committee had agreed to some minor revisions to the Board's terms of reference using the urgency procedure. The changes were therefore noted.

## **6. London Ventures Lessons Learnt report**

6.1 The Chair wanted the opportunity to consider the report before representatives of EY joined the meeting. Thomas Man introduced the report, commenting that it was part of the closure of the first phase of the programme a 'lessons learned' review took place, and that the review had been led by Jen Kimber, Capital Ambition Project Officer, based on interviews and focus groups with a wide range of London Ventures stakeholders.

6.2 Thomas Man drew attention to page 27 of the report which set out the key findings from the lessons learnt exercise. The issues that were identified were being utilised to inform the development of the next phase of London Ventures.

6.3 Cllr Simmonds was concerned that in order for London Ventures to succeed, there needed to be an increased dialogue with the political leaders of London's local authorities. The Chair recognised that the programme had consulted with Chief Executives and Finance Directors but not with the political leadership. The Chair acknowledged this point and suggested that rather than attempting to use the Leaders' Committee there might be the possibility of securing some time with the Executive to achieve this. Cllr Athwal agreed with this approach.

6.4 Frank Smith felt that the priority for the continuance of the programme was to secure income generation, and that realistic financial projections should be reported to the Board. CAB agreed with this comment.

6.5 The Chair asked for thanks to be communicated to Jen Kimber for the work she did on the report. CAB also welcomed Hannah Barber who had replaced Jen as the new Capital Ambition Project Officer.

6.6 At this stage representatives from EY joined the meeting. The Chair summarised CAB's discussions about the need for political engagement and financial clarity in EY reporting. Darra Singh confirmed a commitment to provide improved reporting going forwards, and the need for greater transparency.

## **7. New London Ventures Programme Update**

7.1 Thomas Man introduced the report and provided the context of the reports that were being presented. As part of the programme deliverables in the first three months a number of documents needed to be produced – of the four required the London Ventures Programme Strategy and London Ventures Portfolio Assessment documents had been produced in advance of the deadline.



- 7.2 Darra Singh commented that EY had found the recent procurement process for the London Ventures contract was a valuable exercise and helped to provide robust challenge to the EY team and sharpen their focus and commitment to the programme.
- 7.3 Neil Sartorio outlined the new London Ventures' objectives, and felt that LV needed to become more distinct and 'branded'. He stated that there was an opportunity to engage external sources of finance to support the delivery of London Ventures products and services. The programme would be focused on delivering benefits and positive outcomes for London local government and provides opportunities to address the 'wicked' issues facing the boroughs.
- 7.4 In discussing the Portfolio Assessment document, Victoria Evans stated that EY were keen not to 'reinvent the wheel' and also would not want to carry on with LV products and services that were not working. She recognised the need to increase the scale and rate of delivery, adopt a 'succeed quickly' approach, and to leverage opportunity within the existing portfolio. Victoria also outlined the 'gateway approach' to ensure the programme is on track, and the importance of seed funding pilots.
- 7.5 In response to a question from Cllr Simmonds about what EY planned to do next, they confirmed that they would be engaging with Chief Executives and senior finance officers, focusing on homelessness and temporary accommodation (subject to the agreement of CAB). This would be the focus of the first targeted London Ventures process. They would aim to have these ideas agreed by December, there would then be an intensive process of defining the problem area, before the launch event for the new programme that will also serve as a call to the market in the new year.
- 7.6 Cllr Simmonds recognised that EY was a profit making organisation, but wanted some detail about how the programme will generate income. Also he was concerned that EY should be upfront about those projects which were not working, and be clear on how ambitious the programme is. Darra Singh felt that EY needed a period following the competitive dialogue process to understand the priorities which make a difference, and obtain agreement from CAB processes such as the portfolio assessment would help to focus the programme's resources on those products and services that could generate the greatest return. Neil Sartorio recognised the importance of the programme needing to be self-financing by the end of year three. He also stated that in relation to the targeted LV approach a number of solutions could be developed to tackle a key area.
- 7.7 Cllr Simmonds felt that despite being in Phase 2 there was still no real understanding of the big issues. Darra Singh understood this and confirmed that they would provide options as stated.
- 7.8 Frank Smith felt that the way that EY had presented financial information in London Ventures phase one had occasionally been unclear, and that an officer meeting would be useful to understand the financial information provided. He also emphasised that EY should provide a full report to CAB for any LV partner that would no longer be part of the programme. Although Darra was not aware that there had been an issue with the financial information previously, he agreed with the need for clarity.
- 7.9 John Comber felt that many of the challenges for London are already well known within the sector, so the process for confirming the priority areas should be a quick process. Mike O'Donnell stated that the programme should seek to tackle those challenges that were of the appropriate scale, and concentrate on what can add the greatest value, as well as linking into existing Local Authority discussions. Nick Lester-Davis commented that London Councils already had programmes covering homelessness and temporary accommodation which the boroughs' had directly invested in. It was important to ensure that the London Ventures activity in this area complements existing work streams, and to engage with the relevant leads for those activities. In addition to the investment made by London Boroughs

– there was a need to ensure that programmes talked to each other. Darra confirmed that the housing and homelessness areas had originally been identified by London Councils, and agreed that the planned re-engagement with Chief Executives would confirm an understanding of all the issues.

- 7.10 Cllr Simmonds hoped that any Procurement within the programme would aim to achieve savings.
- 7.11 EY confirmed that over the next period they will work on the detailed plan including how financial sustainability will be achieved as part of the remaining key deliverables for the programme. EY acknowledged the importance of the 18 month review period and the need for the programme to demonstrate success by that point. The London Ventures communications and marketing plan will, as part of its objectives, publicise implemented projects to share the successes of the piloted LV products and services; EY will also focus on the creation of a capable digital presence. Darra added that EY have an ‘open book’ approach to the programme to ensure accountability.
- 7.12 CAB were then presented with the LV Portfolio Assessment document. EY confirmed that they were looking for CAB’s approval for the proposed package of support and re-negotiations.
- 7.13 In response to a question from Frank Smith regarding the expenditure balance between new ventures and re-negotiation within the committed money, EY commented that 10% of the £1million would be spent on seed funding, but was happy to take a steer from CAB if the requirements were different.
- 7.14 Cllr Simmonds felt that if the return was less than, for example £5,000 for a small number of days, then care should be taken as to how much resource was focused on the general London Ventures programme. Neil Sartorio reconfirmed that EY understood the importance of the programme needing to be self-financing in order for it to continue.
- 7.15 The Chair agreed that Frank Smith and Thomas Man should work with EY representatives on the details of the resource allocation, in particular the resource dedicated to supporting the general London Ventures programme and send it to CAB under separate cover. Because of the urgent need to do this it was agreed that Andy Pitcairn could assist.
- 7.16 CAB:
- Agreed to recommendation a) in the cover report
  - Agreed to b) in principle subject to the availability details at 7.15 above
  - Agreed c) subject to the agreement to b) above

## **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 14:05.

## **Pensions CIV Sectoral Joint Committee (PSJC)**

### **18 October 2016**

Minutes of a meeting of the Pensions CIV Sectoral Joint Committee held on Tuesday 18 October 2016 at 2:00pm in the Conference Suite, London Councils, 59½ Southwark Street, London SE1 0AL

#### **Present:**

City of London	Mark Boleat (Chair)
Barking and Dagenham	Cllr Dominic Twomey
Barnet	-
Bexley	Cllr Louie French
Brent	Cllr Sharfique Choudhary
Bromley	-
Camden	Cllr Rishi Madlani
Croydon	-
Ealing	Cllr Yvonne Johnson
Enfield	Cllr Toby Simon
Greenwich	-
Hackney	Cllr Roger Chapman
Hammersmith and Fulham	-
Haringey	Cllr John Bevan (Deputy)
Havering	-
Harrow	Cllr Nitin Parekh
Hillingdon	Cllr Philip Corthorne
Hounslow	Cllr Mukesh Malhotra
Islington	Cllr Richard Greening
Kensington and Chelsea	-
Kingston Upon Thames	Cllr Eric Humphrey
Lambeth	Cllr Iain Simpson
Lewisham	Cllr Liz Johnston-Franklin (Deputy)
Merton	Cllr Imran Uddin
Newham	Cllr Forhad Hussain
Redbridge	-
Richmond Upon Thames	-
Southwark	-
Sutton	Cllr Sunita Gorden
Tower Hamlets	Cllr Clare Harrison
Waltham Forest	-
Wandsworth	Cllr Maurice Heaster
City of Westminster	Cllr Tim Mitchell (Deputy)

#### **Apologies:**

Barnet	Cllr Mark Shooter
Bromley	Cllr Teresa Te
Croydon	Cllr Simon Hall
Greenwich	Cllr Don Austen
Hammersmith & Fulham	Cllr Iain Cassidy
Haringey	Cllr Clare Bull
Havering	Cllr John Crowder
Lewisham	Cllr Mark Ingleby
Redbridge	Cllr Elaine Norman
Richmond-upon-Thames	Cllr Thomas O'Malley
Southwark	Cllr Fiona Colley
Westminster	Cllr Sulhail Rahuja

Officers of London Councils were in attendance as were Hugh Grover (CEO, London CIV), Julian Pendock (CIO, London CIV), Brian Lee (COO, London CIV), Jill Davys (AD Client Management, London CIV), and Ian Williams (Chair, Investment Advisory Committee).

## **1. Announcement of Deputies**

- 1.1. Apologies for absence and deputies were as listed above.

## **2. Declarations of Interest**

- 2.1. There were no declarations of interest that were of relevance to this meeting.
- 2.2. The CEO to look into whether members should declare a deferred pension scheme as a declaration of interest at the PSJC.

## **3. Minutes of the AGM Meeting held on 14 June 2016**

- 3.1. The minutes of the PSJC meeting held on 14 June 2016 were agreed.

## **4. London CIV Business Planning**

- 4.1. The CEO introduced the report. He said that the key points could be found at paragraphs 10 to 14 of the report. Northern Trust said that the CIV had opened more sub-funds than any similar organisations. Passive investments were not generating any income because those assets now remained outside of the London CIV. The aim was to bring further detail to the PSJC meeting on 13 December 2016, including a resource plan and rationale.
- 4.2. The process of opening sub-funds had become easier, but there was no way of knowing if boroughs would individually move into these sub-funds (this was part of the budget issue for the CIV).
- 4.3. The following issues were discussed:
  - Councillor Heaster asked for clarification for the sub-fund AuM fees being “significantly down” (paragraph 15, page 7). Brian Lee said that there was a £250,000 shortfall in passive funds, and a £100,000 deficit owing to the delay in the launch of some sub-funds (amounting to just over £300,000 in total).
  - Councillor Malhotra voiced concern that some projects had been deferred. He said that greater prioritisation needed to take place. The CEO acknowledged the challenge responding that significant progress had been made, albeit not necessarily as planned.
  - Councillor Greening said that he would prefer a fuller report. He said that a more realistic approach was needed and to stick with the principles of saving money. It was not possible to accurately forecast how large the transfer of assets would be and what fees would come from it.
  - Councillor Simon suggested that boroughs that had benefited from the reduced fees for passive investment should pay a percentage of the savings

to LCIV. The CEO responded that the issue was being discussed with Officers/Treasurers and options would come to a future meeting.

- Councillor Greening said he was concerned at the excessive regulatory costs. He agreed that it would be preferable to look at Councillor Simon's proposal rather than levying the boroughs more.

4.4. The Committee:

- (i) Noted the contents of the report;
- (ii) Agreed that a more detailed report would be brought to the PSJV on 13 December 2016; and
- (iii) Agreed to look into the possibility of boroughs with savings accruing from passive funds outside of LCIV paying a percentage of the savings to LCIV.

**5. Investment Report and Fund Update**

- 5.1. Julian Pendock introduced the report. He said that with a great deal of volatility in the market at present the Allianz and Baillie Gifford sub-funds had both been performing well.
- 5.2. Jill Davys informed the PSJC that the Stewardship Working Group had met in the summer and the draft minutes were attached to the report. She confirmed that there had been approximately 5 alerts within a six month period.
- 5.3. Councillor Malhotra asked if further reports could contain a cumulative total of funds under management, in order to see how the funds were performing.
- 5.4. The Committee noted the report.

**6. Global Equity Procurement**

- 6.1. Julian Pendock introduced the report informing members that tender submissions had been received from over 200 fund managers, 58 meetings had been arranged with fund managers, and that the fees being offered had been very encouraging.
- 6.2. Councillor Simon asked whether tax savings would be identified as well as cost benefits. The CEO responded that the CIV was very tax efficient and that tax savings would be identified where it was possible to do so.
- 6.3. Councillor Simpson asked whether the start-up fees would go down once the size of the sub-funds increased. The CEO noted that start-up fees would indeed go down over time.
- 6.4. The Committee noted the report.

**7. Investment Advisory Committee (IAC) Update**

- 7.1. Ian Williams, Chair of the IAC, introduced the report. He informed members that the IAC had been working closely with LCIV to develop the Business Plan.
- 7.2. The Committee noted the report.

## **8. Review of Benefits**

- 8.1. The CEO said that efforts would be made to quantify the savings made although defining fund manager fee savings was a complex issue that would increase in complexity over time as boroughs started to make new investments that were not part of the initial 'commonality' approach and therefore it would be difficult to define a prior fee position against which to make the comparison.
- 8.2. Councillor Greening said that a fuller picture of the costs, benefits and future estimations (including any "guesswork") was required, preferably in a table format. This could be carried out through the deputy chairs of the PSJC. Councillor Simpson suggested including a timeframe, as well as costs and benefits. The CEO said that ranges for the benefits might need to be incorporated.
- 8.3. Councillor Simon asked whether transition arrangements for new funds would be supported by the CIV. The CEO said that it was on the agenda to go through a procurement exercise to generate a framework contract with a number of Transition Managers for the boroughs to call off.
- 8.4. The Committee:
  - (i) Noted the report, and
  - (ii) Agreed to look into having costs, benefits and future estimations, in a table form, in future Benefits reports that went to the PSJC.

## **9. Remuneration Committee Policy & Terms of Reference**

- 9.1. Councillor Greening felt that the total remuneration figure of £500,000 was excessive (page 52). The CEO said that this figure was set by the FCA and was not an indicative amount in terms of what LCIV staff might be paid, but simply part of the FCA's regime for identifying 'Code Staff'. The Chair confirmed that it was the regulator that required this figure. The CEO said that he would take legal advice on this issue to ascertain if it was possible to use a lower figure.
- 9.2. The Committee:
  - (i) Noted the report; and
  - (ii) Agreed to look at taking out the figure of £500,000 for the total remuneration of code staff (page 52, paragraph 6.3 for the report) and consider putting in a reference to the FCA's handbook for this remuneration instead.

*The Exempt minutes were agreed (Item E3)*

**The meeting closed at 15.05pm**

**LONDON COUNCILS GRANTS COMMITTEE**  
**23 November 2016**

Minutes of the Grants Committee held at London Councils, 59½ Southwark Street, London SE1 0AL on Wednesday 23 November 2016

**London Borough & Royal Borough:**

**Representative:**

Barking and Dagenham	Cllr Saima Ashraf
Bexley	Cllr Don Massey
Brent	Cllr Margaret McLennan
Bromley	Cllr Stephen Carr
City of London	Cllr Alison Gowman
Ealing	Cllr Ranjit Dheer
Enfield	Cllr Yasemin Brett
Greenwich	Cllr Denise Scott-McDonald
Harrow	Cllr Sue Anderson
Havering	Cllr Melvin Wallace
Hounslow	Cllr Richard Foote
Islington	Cllr Kaya Comer-Schwartz
Kensington & Chelsea	Cllr Gerard Hargreaves
Lambeth	Cllr Paul McGlone (Chair)
Lewisham	Cllr Joan Millbank
Merton	Cllr Edith Macauley
Newham	Cllr Forhad Hussain
Redbridge	Cllr Bob Littlewood
Southwark	Cllr Barrie Hargrove
Sutton	Cllr Simon Wales
Tower Hamlets	Cllr Rachael Saunders
Waltham Forest	Cllr Clyde Loakes (substitute)
Westminster	Cllr Rachel Robathan (substitute)

London Councils officers were in attendance.

Yolande Burgess, Strategy Director, was introduced to the Committee as this was the last meeting to be attended by Nick Lester-Davis, Corporate Director, Services. The Chair proposed a vote of thanks for Nick's work, endorsed by the Committee. Nick Lester-Davis thanked the Chair and Committee and said he hoped that in his work with members he had supported the voluntary sector to move to a more partnership way of working.

**1. Apologies for Absence**

- 1.1 Apologies were received from Cllr Richard Cornelius (Barnet), Cllr Hamida Ali (Croydon), Cllr Jonathan McShane (Hackney), Cllr Sue Fennimore (Hammersmith & Fulham), Cllr Eugene Ayisi (Haringey), Cllr Douglas Mills (Hillingdon), Cllr Julie Pickering (Kingston upon Thames), Cllr Meena Bond (Richmond), Cllr Liaquat Ali (Waltham Forest), Cllr James Madden (Wandsworth), Cllr Nicki Aiken (Westminster)

**2. Declarations of Interest**

- 2.1 There were three declarations of interest: Cllr Joan Millbank (Lewisham) as an employee of City Bridge Trust; Cllr Alison Gowman (City of London) as Chair of City Bridge Trust; and Cllr Sue Anderson (Harrow) as a member of the National Autistic Society.

**3. Minutes of the Grants Committee AGM – 13<sup>th</sup> July 2016**

- 3.1 The minutes were agreed as an accurate record of the meeting, subject to the correction of the spelling of Cllr Comer-Schwartz's name in item 6.1 (written incorrectly as Cllr Komer-Schwartz).

3.2 The Chair raised the following points in relation to items in the minutes:

- Regarding the requirement to review Terms of Reference, it was confirmed by Simon Courage, Head of Grants and Community Services, that item 7 on this agenda would address the issues raised at the previous meeting
- The issue of clustering, raised by members on page 5 of the minutes, had been considered by staff. The Head of Grants and Community Services commented that while the clusters had made sense at the time, not enough consideration had been given to borough's needs to work together. The cluster would have to remain until the current agreements conclude at the end of 2018. However the clusters will be revisited at the end of 2016/17. Cllr Carr felt that more detail was required in order to understand the fuller picture as he felt that it was difficult to see the value added in terms of areas like employment initiatives under the present arrangements.
- Borough profiles (referred to in page 6 of the minutes) – the Head of Grants and Community Services had tabled an example of the pro forma to be sent to boroughs going forward as part of the review of the Commissioning Performance Management Framework.

3.3 Cllr Anderson asked why people on the Autism spectrum were not specifically targeted in terms of employment initiatives. The Head of Grants and Community Services responded that around 65% of people on the programme had additional needs, including Autism, but because the programme was working within the National Framework there were no specific Autism targets. However, he agreed to consider the issue and report back to the Councillor.

#### **4. Performance of Grants Programme 2013-17**

4.1 The Head of Grants and Community Services outlined the key performance areas, namely: Priority 1 – outcomes were 27% above profile; Priority 2 – outcomes were overall 12% above profile; Priority 3 - outcomes were not currently being reported as projects had closed at the end of 2015; Priority 4 – overall 5% below profile.

4.2 The number of interventions in each of the priorities was also mentioned, and that 21 projects were green and 4 amber; the amber projects were so rated because of a combination of delays in collecting data, and loss of partner organisations. It was hoped that the Women in Prison project would pick up, but section 6 of the report also set out the process for the recovery of funding. The Ashiana Network project, which had been delayed in starting up, had moved from red to amber and it was hoped to move to green by the next quarter. In response to a question from the Chair, it was confirmed that while many of the interventions were unique, there may also be some crossover between them.

4.3 Referring to Appendix Two of the report, Cllr Loakes asked why there had been so little impact of Service Area 2.1 projects in Waltham Forest? Katy Makepeace-Gray, Principal Programme Manager, responded that it was likely that the project had not reached the borough yet (there were similar low numbers if Kensington and Chelsea) but would check and respond to the Councillor. The project works on a rolling basis delivering prevention activities in schools and youth settings.

4.4 Cllr Scott-McDonald asked for assurances that robust delivery would be guaranteed as projects moved toward their deadline? The Principal Programme Manager confirmed that the performance management framework would ensure delivery by the end of the programme.

4.5 In response to a question from Cllr Carr, regarding outcomes with and without interventions, Officers confirmed that there is a need to strengthen the clarity of outcomes, which will be covered in the new specifications in July 2017. Cllr Carr asked whether an intervention in a school of, say 200 pupils would count as one intervention or 200? Members were referred to the table at Appendix 2 which includes both new service user



numbers and numbers successfully achieving each outcome from the London Councils specification. The Corporate Director, Services mentioned that the complexity of these tables reflected the issues associated with plotting outcomes.

- 4.6 Cllr Hargreaves asked a question about the apparent disparity between clusters and outcomes for Kensington and Chelsea. It was agreed that the Head of Grants and Community Services would check the detail and confirm this.
- 4.7 In relation to a concern from Cllr Massey about groupings and the need to identify borough issues rather than pan London ones, the Head of Grants and Community Services said that, moving forward, borough targets have been identified in the service specifications and that quarterly reporting of this information would take place. Performance issues would then be discussed with those individual boroughs. This was supported by the Chair, who confirmed that Grants Committee had previously given a clear steer for the need for borough accountability.
- 4.8 Cllr Wales mentioned the issue regarding the discrepancy between housing and homelessness, and the general likelihood of more homelessness in central London. The Head of Grants and Community Services agreed that it can be difficult to assess this, and that the figures are more definite within, say, the poverty priority. The Corporate Director, Services, mentioned that 45% of all recorded homelessness was in outer London.
- 4.9 Cllr Robathan commented on the issue of homelessness in Westminster, and the fact that the number of people sustained in tenancies in the borough is very low. The Head of Grants and Community Services mentioned that it is often difficult to obtain statistics on sustainability, but it would be possible to use a larger sample to recognise this.
- 4.10 Cllr Carr mentioned that homeless households are often housed in outer London because the cost of housing is lower, and was concerned about people being housed in Bromley when they had declared themselves homeless in central London. The Head of Grants and Community Services confirmed that the homelessness target setting factored this movement into the calculations as far as possible. The borough targets in the new programme would reflect this. Cllr Carr also hoped that the issue of one organisation providing two projects where each individual project was below the financial scrutiny target would be looked at.
- 4.11 Cllr Millbank commented that any performance against targets would be impacted on by indirect factors, for example wider policy changes. Cllr Anderson observed that another impact on homelessness was the volatile nature of private sector rented accommodation and the actions of landlords.
- 4.12 Members agreed to note Section 1 (a – d) of the report.

## **5. Month 6 Revenue Forecast 2016/17**

- 5.1 The Chair asked Frank Smith, Director of Corporate Resources, to introduce the report.
- 5.2 The Director of Corporate Resources reported that the projected £854,000 surplus was mainly attributable to slippage attributable to the delayed start of the new ESF programme, with slippage minor underspend projected in respect of Priority 1, 2 and 4 projects. There is also a projected small overspend in respect of preparatory work in setting up new commissions.
- 5.3 It was confirmed that, in terms of the ESF funding for the new programme, the total commitment from boroughs would not exceed £3million; £1million had been paid in 2015/16, £1million in the current financial year and the final £1million was to be paid in 2017/18. There would be no further contribution from boroughs from 2018/19 onwards.

- 5.4 The Committee noted the projected surplus of £854,000 and the projected level of reserves highlighted in the report.

## **6. Grants Programme 2017-21: Update on Commissioning Process**

- 6.1 The Chair recognised that there had a good commissioning relationship had been developed to carry out this work, and formally thanked borough officers, who had all been involved in the process.
- 6.2 Members were informed that the next step would be a confirmation of scoring, followed by an assurance process with extensive due diligence, before officers make recommendations in 2017.
- 6.3 Cllr Millbank asked whether due diligence was carried out for sub-applicants as well as the main applicant? Officers confirmed that although it is the responsibility of the lead applicant to check the viability of sub-applicants, that all applicants are checked by LC prior to allocation of any grant.
- 6.4 Cllr Comer-Schwartz asked about the quality of the reference process, and was informed by officers that as well as taking up two references (for the applicants applying for more than £1m) relevant borough staff are also involved in the scoring. The Chair pointed out that references are in the public domain and as such could be made available to bidding organisations.
- 6.5 In response to a question from Cllr Carr, it was confirmed that the financial threshold was assessed on a per annum basis, and other capacity assessments are also be carried out.
- 6.6 Cllr Wallace asked whether organisations in Havering could now bid for other contracts in neighbouring boroughs? The Head of Grants and Community Services clarified that his earlier comments regarding clusters had meant that there would be a review of them in 2017, and that if any opportunities were presented for such bidding, this would be subject to an open process.
- 6.7 The Chair was keen that the assessment work be done as soon as possible so that the final recommendations could be done well in time for the February Committee, possibly to be sent out a little prior to the usual dispatch deadline. Officers agreed to consider this.
- 6.8 The Committee formally thanked the borough officers involved in the scoring and moderation process and noted the remainder of the report.

## **7. Leadership in the Third Sector: the Role of London Boroughs and London Councils**

- 7.1 The Chair informed members that in July 2016 Grants Committee Members had agreed that officers make provision in the 2017-18 budget proposals to be considered by the November meeting of the Grants Committee for resources to cover London Councils officer time to deliver on the work with City Bridge Trust (CBT). The report provided to Grants Committee was as a result of a requirement to provide with a report back on the financial comment required, capacity issues and a workplan.
- 7.2 The Head of Grants and Community Services drew members' attention to Appendix One of the report which set out, within three aims of providing local government leadership, a voice for boroughs and working in partnership with CBT, a series of shorter and longer term objectives, which had been a specific requirement from members. He commented that discussion with boroughs was ongoing to build up intelligence that CBT would turn into a strategy linked to funding deliverables.

- 7.3 The Chair added that the CBT offer asked the Committee to provide leadership in the Third Sector, an offer which he felt should be taken up, and with which members agreed. This could be undertaken by the Grants Committee, and members may wish to consider whether the terms of reference needed to be enhanced to adequately reflect working with City Bridge Trust and an enhanced leadership role within the sector. Should members wish to do this it would require an agreement from Leaders' Committee. The Chair also proposed the establishment of a separate Sub Committee. He asked officers to facilitate both of these requirements.
- 7.4 Cllr Comer-Schwartz supported this and felt that the boroughs were well placed to know their own needs.
- 7.5 Cllr Millbank supported this but felt that, as 'The Way Forward' report was in her opinion not always clear, this echoed the need for the mechanism of a Sub Committee to help work out a set of detailed outcomes and to help make the work sustainable. This comment was endorsed by Cllr Wales. Cllr Hargreaves supported the setting up of a sub-group, and that the outcomes would need to be strengthened going forwards, given that it was an early stage in the process.
- 7.6 Cllr Carr felt that £75,000 was a lot to expect in terms of year one delivery. It was confirmed that this figure was net of salaries but included accommodation costs.
- 7.7 Cllr Scott-McDonald felt that as this was a new role for Grants Committee that a conversation with the Deputy Mayor would be useful. Officers confirmed that this was factored in as was a link to London Funders. The Chair had been contacted by Matthew Ryder, Deputy Mayor Social Integration, Social Mobility and Community Engagement at the GLA, who would work with the Sub Committee.
- 7.8 The Committee noted the budget proposals, agreed the workplan and agreed to propose to Leaders' Committee an extension of its Terms of Reference to accommodate this wider role in providing leadership in the third sector, including the establishment of a new Sub Committee.
- 8. London Boroughs Grants Scheme – Budget proposals 2017/18**

- 8.1 The Director of Corporate Resources introduced the report, which detailed the indicative overall budget for the Grants scheme for 2017/18 of £8.668 million. He also reported that £156,000 would be repaid to boroughs, and that £75,000 be transferred to fund a post to work with City Bridge Trust.
- 8.2 Members were informed about the projected shortfall in overhead recovery in respect of the new borough ESF programme over the three year programme period. The borough programme is managed by the Leaders' (Joint) Committee, not the Grants Committee. To contribute to the projected shortfall, the Grants Committee was being asked to approve that the proportion of the proposed £156,000 repayment to boroughs from uncommitted Grants Committee reserves that relates to the 21 boroughs participating in the borough ESF programme be transferred to the Leaders' Committee. This proposal was approved by the Committee.
- 8.3 Members agreed to:
- the overall level of expenditure in 2017/18 of £8.668 million
  - borough contributions for 2016/17 at £7.668 million
  - the transfer of £156,000 to be returned to the boroughs in the form of repayment

- the transfer of £75,000 to fund a post to work with City Bridge Trust
- assumptions in the apportionment of 2017/18 contributions
- setting aside provision for £555,000 for staff and support services to ensure delivery of grants responsibilities

## **9. Commissioning Performance Management Framework Review**

9.1 The Chair introduced the report, telling members that a lot of work had been done on the framework in 2012/13, and that before the revised framework was reported back to Committee in February 2017, he was keen that Members should have the opportunity to comment fully. Members agreed this, and raised several issues under the item:

- There needs to be a clear definition of what 'not for profit' means, as there were a number of new charitable structures with different governance arrangements
- The term 'qualified accounts' needs clarifying in that smaller charities need only have an 'independent examination' of their accounts
- A glossary of abbreviations and their meanings would be useful

9.2 The Chair asked for any further comments by no later than the end of January 2017. On this basis members noted the other parts of the report.

**The meeting finished at 12:25pm**

## **Pensions CIV Sectoral Joint Committee (PSJC)**

### **13 December 2016**

Minutes of a meeting of the Pensions CIV Sectoral Joint Committee held on Tuesday 13 December 2016 at 10.30am in the Conference Suite, London Councils, 59½ Southwark Street, London SE1 0AL

#### **Present:**

City of London	Mark Boleat (Chair)
Barking and Dagenham	-
Barnet	Cllr Mark Shooter
Bexley	Cllr Louie French
Brent	Cllr Sharfique Choudhary
Bromley	-
Camden	Cllr Rishi Madlani
Croydon	Cllr Simon Hall
Ealing	Cllr Yvonne Johnson
Enfield	Cllr Derek Levy (deputy)
Greenwich	-
Hackney	Cllr Roger Chapman
Hammersmith and Fulham	-
Haringey	-
Havering	Cllr John Crowder
Harrow	-
Hillingdon	Cllr Philip Corthorne
Hounslow	Cllr Mukesh Malhotra
Islington	Cllr Richard Greening
Kensington and Chelsea	-
Kingston Upon Thames	Cllr Roy Arora (deputy)
Lambeth	-
Lewisham	Cllr Mark Ingleby
Merton	-
Newham	Cllr Forhad Hussain
Redbridge	-
Richmond Upon Thames	Cllr Thomas O'Malley
Southwark	Cllr Fiona Colley
Sutton	-
Tower Hamlets	Cllr Clare Harrisson
Waltham Forest	Cllr Simon Miller
Wandsworth	Cllr Maurice Heaster
City of Westminster	Cllr Sulhail Rahuja

#### **Apologies:**

Barking and Dagenham	Cllr Dominic Twomey
Bromley	Cllr Teresa Te
Enfield	Cllr Toby Simon
Greenwich	Cllr Don Austen
Hammersmith & Fulham	Cllr Iain Cassidy
Haringey	Cllr Clare Bull
Harrow	Cllr Nitin Parekh
Hillingdon	Cllr Philip Corthorne
Kingston Upon Thames	Cllr Eric Humphrey
Redbridge	Cllr Elaine Norman
Sutton	Cllr Sunita Gordon

Officers of London Councils were in attendance as were Lord Kerslake, Chair of the Pensions CIV Board, Hugh Grover (CEO, London CIV), Julian Pendock (CIO, London CIV), Brian Lee (COO, London CIV), Jill Davys (AD Client Management, London CIV), and Ian Williams (Chair, Investment Advisory Committee).

## **1. Announcement of Deputies**

- 1.1. Apologies for absence and deputies were as listed above.

## **2. Declarations of Interest**

- 2.1. There were no declarations of interest that were of relevance to this meeting.

At the start of the meeting the Chair, Mr Mark Boleat provided feedback from a recent (12 December) meeting with Mr Marcus Jones MP Parliamentary Under-Secretary of State (Department for Communities and Local Government, Minister for Local Government). He noted that in attendance had been himself, Cllrs Johnson, Heaster and Gordon, Lord Kerslake, Hugh Grover and Ian Williams. He reported that key themes from the Minister had been:

- The government's ongoing commitment to the overall LGPS pooling policy;
- Reinforcement of the government's desire to see more investment in infrastructure. On which the Chair made a general point about funding infrastructure, that the issue was not finding finance for infrastructure but finding infrastructure for finance;
- A hope that progress would be made further and faster; and
- Enthusiasm for collaboration between pools.

In response the London CIV side had stressed the costs associated with regulation in the hope that the minister may be able to do something about it.

Chair of the Board, Lord Kerslake affirmed that London was ahead of most, if not all, CIVs elsewhere in the country. On infrastructure, he pointed out that the government was keen for the CIV to invest in infrastructure but without any detail about precisely how this would be done. He noted that a follow up letter was expected and would be circulated.

## **3. Minutes of the Meeting held on 18 October 2016**

- 3.1. Cllr Rishi Madlani pointed out that ESG Criteria had been omitted from item 6 in the minutes.
- 3.2. With that change made, the minutes of the PSJC meeting held on 18 October 2016 were agreed.

## **4. Global Equity Procurement Update**

- 4.1. The CIO introduced the item saying the CIV Investment Team, working alongside the Global Equity Sub-Group (drawn from local authority colleagues of the Investment Advisory Committee (IAC)) had been progressing with the global equity procurement. In total some 57 clarification meetings had been held with prospective fund managers, covering nine global equity strategies. A

final preferred list would be discussed with the IAC and the Joint Committee. In addition, London Funds had been completing a survey to assess their current requirements in the global equity space, in order to decide which sub-funds should be opened first. He had been encouraged that most managers had claimed to be charging the lowest ever fees.

- 4.2. In response to questions from Cllr Richard Greening about the ability to move from one fund manager to another and the need to look at investing in infrastructure and housing the CIO replied that the difference between those fund managers that were being brought on and those that were in procurement could be made clear, that the IAC Fixed Income sub-group would be bringing forward ideas covering cashflow generating products and that infrastructure meant different things to different boroughs.
- 4.3. The CEO said that a survey of the London LGPS Funds had been undertaken to help enhance current understanding of likely equity fund requirements which would help to determine which of the nine strategies was put forward for development of new funds and the timeframe for doing so. Due diligence would be conducted on all the managers where sub-funds were going to be opened and commercial negotiations finalised. In response to a question from Cllr French about whether fresh due diligence was needed, the CEO replied that it was.
- 4.4. The Committee agreed to note the report.

## **5. Investment Advisory Committee Update**

- 5.1. The CEO introduced the Chair of the Investment Advisory Committee (IAC) Mr Ian Williams who introduced the report as follows:
  - He thanked the number of boroughs that had contributed officer time, and the officers themselves for all their hardwork and commitment;
  - He noted that current work was being taken forward through sub-groups on: Global equities; fixed income and cashflow; stewardship; infrastructure; housing; and reporting.
  - He was encouraged by the progress being made and the involvement of boroughs in the global equity procurement process which was going well;
- 5.2. In response to a point made by Cllr Mukesh Malhotra about who individual members were on committees and how they came to be appointed, he undertook to circulate a list and reported that members of the IAC were principally selected by election or nomination and that the selection process was managed by borough treasurers through the Society of London Treasurers.
- 5.3. The Chair reported that the borough Treasurers had proposed a governance review which would include the role and terms of reference of the Investment Advisory Committees.
- 5.4. Cllr Richard Greening pointed out that Fixed Income was an asset class that had changed in risk profile and that perhaps infrastructure should be prioritised instead of it. The CEO assured that priorities could be revisited. He went on to

point out that one reason to concentrate on bigger asset classes was to grow the quantum of assets under management to shift the funding of London CIV from the annual service charge, which would need to be increased for the next few years, to fee income from the fund, and there was not a great amount of assets going into infrastructure at the current time, hence its lower priority. The CIO drew attention to the 'litany of woes' in the Fixed Income market which was something that was being considered by the Fixed Income sub-group.

- 5.5. Cllr Fiona Colley argued that Global Equity funds would not be ready when investments were ready to be made and the CEO said that the process to open a sub-fund was more complex than had been anticipated and with preparatory legal work it was taking 3-4 months to open a fund, including a month to obtain FCA authorisation. He was conscious that boroughs may have to move before all asset classes were ready and assured that every effort was being made to speed up the fund opening process.
- 5.6. The Committee agreed to note the report.

## **6. Constitutional Matters**

- 6.1. Christiane Jenkins, the London Councils' Director of Corporate Governance introduced the report saying:
  - All 33 London local authorities had now adopted a similar form of resolution to facilitate their participation in the London LGPS CIV Limited and the London Councils Pension CIV Sectoral Joint Committee (PSJC)
  - The authorities agreed in taking those resolutions that, should all 33 London local authorities resolve to participate in the arrangements, Leaders Committee should exercise those functions, instead of the sectoral joint committee which is restricted to having a maximum of 32 members under the London Councils (Leaders') Committee Governing Agreement, and the Governing Agreement should be varied accordingly.
- 6.2. Lord Kerslake noted that this was a product of the success of signing up all the boroughs and he hoped that the CIV committee would continue in some form.
- 6.3. In response to a question from Cllr Malhotra, the CEO confirmed that all participating local authorities had contributed the same amount of funding and share capital.
- 6.4. Cllr Rishi Madlani pointed out that if all 33 Variations to the Agreement were signed tomorrow the committee would stand dissolved and steps should be taken to ensure that this did not happen immediately and thought needed to be given to what representatives would be involved, pensions committee chairs, trade unions.
- 6.5. The Committee agreed to note:
  - that following a decision of the 33rd London local authority to delegate the exercise of sections 1 and 4 of the Localism Act 2011 for the purpose of participating in the London Councils Pension CIV Sectoral Joint Committee (PSJC), a formal agreement varying the London Councils Governing Agreement would be prepared and sent to each London local authority to



incorporate into that Agreement the functions which Leaders' Committee would instead jointly exercise on behalf of all 33 authorities

- that the Pensions CIV Sectoral Joint Committee would be dissolved upon the formal variation being entered into by all 33 participating local authorities
- that until such time as all the participating authorities had returned the signed variation, that the Pensions CIV Sectoral Joint Committee would continue to exist and meet.

The meeting resolved to exclude the press and public.

The meeting closed at 11.15pm

# Meeting of the Capital Ambition Board

**Tuesday 13 December 2016, 10.30am**

**London Councils, Room 5, 59½ Southwark Street, London SE1 0AL**

## **Members**

Edward Lord OBE JP  
Cllr Stephen Alambritis  
Cllr Theo Blackwell  
Cllr Nicholas Paget-Brown

## **Borough**

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

## **London Councils**

Frank Smith  
Guy Ware  
Andy Pitcairn  
Thomas Man  
Lisa Henry  
Hannah Barber

Director of Corporate Resources  
Director: Finance, Performance & Procurement  
Head of Budgetary Control and Procurement  
Head of Capital Ambition  
Capital Ambition Programme Manager  
Capital Ambition Project Officer

## **Advisers**

John Comber  
Paul Najsarek

Chief Executive, RB Greenwich  
Chief Executive, LB Ealing

## **Board Secretariat**

David Dent

Principal Corporate Governance Officer

## **Behavioural Insights Team\*\***

Tim Pearce  
Pieter Cornel  
Matthew Wallbridge

Head of Local Government, BIT  
Associate Advisor, BIT  
Head of Transformation and Service Improvement,  
and Interim Head of ICT, LB Croydon

## **EY\***

Victoria Evans  
Shu Fei Wong

Senior Manager, Local Public Services  
Consultant, Local Public Services

\* from item 6.1 onwards

\*\* until item 6

## **1. Declarations of Interest**

1.2 There were no declarations of interest.

## **2. Apologies for absence**

2.1 Apologies were received from Cllr David Simmonds and Cllr Jas Athwal. Apologies were also received from Mike O'Donnell (LB Camden) and Rob Leak (LB Enfield).

## **3. Minutes of the meeting held on 11 October 2016**

3.1 The minutes of the non-exempt part of the meeting held on 11 October 2016 were agreed as an accurate record.

3.2 With regard to section 7.15 of the minutes, Frank Smith, Director of Corporate Resources, stated that his questions regarding resource allocation had been addressed and therefore

CAB would be able to agree to recommendation b) in item 7 New London Ventures programme update report. The Chair therefore agreed the recommendation on this basis.

#### **4. Capital Ambition - Director's Report**

- 4.1 CAB welcomed Guy Ware, Director: Finance, Performance & Procurement from London Councils, who was now responsible for overseeing the Capital Ambition programme.
- 4.2 Thomas Man briefly introduced the report, the contents of which were noted by CAB.

#### **5. Applying Behavioural Insights – Progress Update**

- 5.1 The Chair introduced the item and welcomed Tim Pearce and Pieter Cornel from the Behavioural Insights Team (BIT) and Matthew Wallbridge from the London Borough of Croydon. He reminded CAB that it had approved funding of £120k at the February 2016 board meeting for two behavioural insight trials in the London Borough of Croydon, and a further four scoping studies – to include other boroughs. It was agreed that BIT would report back to CAB to obtain a steer for the next steps, and if the Board wished to receive costed proposals on possible future trials as proposed in the scoping study reports. The Chair reminded the Board that a further £200k had been reserved for future trials – should these be deemed viable. The Chair invited Tim, Pieter and Matthew to talk about the behavioural insights work being carried out.
- 5.2 Tim Pearce confirmed that three scoping studies had been undertaken based on assessment of services where behavioural insights would add value, and one was still being researched. The areas of the scoping studies are: 1. reducing hospital readmissions working with LB Merton; 2. supporting Adult Social Care in LB Barnet; 3. supporting Children's Social Care in the Tri-Borough, and 4. improving Public Health in Croydon.
- 5.3 Regarding the hospital readmissions scoping study, it was reported that there had been a delayed start due to gaining access to the best contacts at St George's hospital, but that this work had now started. The scoping study would be looking at: admissions to hospital with no defined medical need and options for re-routing some of these customers; the interaction between staff and patients' families; the role of discharge managers in the process; and the relationship between clinical staff and occupational therapists. A further report would be made to the February 2017 CAB.
- 5.4 The scoping study looking at adult social care in Barnet had been driven by a combination of rising demand and falling resources. The scoping study was to concentrate on prevention and early interventions, redirecting customers to appropriate resources eg dementia services, and supporting independence. The main recommendation from this study was looking at the uptake of Telecare. However, Barnet have confirmed that they did not currently have the capacity to run a trial.
- 5.5 The focus of the Tri-Borough social care scoping study was: on children who had a high level of dependency on services; the resource implications of the high rates of 'no further action' assessments; the impact of and the decision making issues related to this; and, the recruitment of foster carers. The latter two issues would form the basis of the key recommendations for trials, with the possibility of extending recruitment solutions outside of the Tri-Borough.
- 5.6 For the Public Health in Croydon scoping study the team looked at longer term drivers of demand via issues like smoking and alcohol use – as well as childhood obesity. There are already existing programmes in these areas that could be better utilised and where behavioural science may play a role. However the key recommendation was to focus on improving immunisation rates, in Croydon the study found low (significantly below herd

immunity) levels of MMR vaccination in certain population groups – where behaviour science could apply.

- 5.7 Paul Najsarek asked how clear were the team about the impact of the trials He recognised the value of projects 2 and 3, although felt that public health and obesity was more difficult to realise. The Chair commented that as part of the next steps, bringing back a costed proposal – the potential impacts, financial benefits and transferability across London would be included, and likely to inform the Board's decision.
- 5.8 Cllr Alambritis questioned whether the outcomes with respect of hospital readmissions were more for the benefit of the NHS than local authorities? It was confirmed that BIT were aiming for collaboration between LAs and the NHS, but it was agreed that there were definitely specific benefits for the NHS. The Chair felt that the relevant representatives of NHS London should be invited to the next CAB meeting to discuss potential partnership funding, and asked staff to send an invitation.
- 5.9 Cllr Paget-Brown felt that in terms of decision making issues (in relation to the children's social care scoping activity) consideration should be given as to how to transfer skills and knowledge from more experienced caseworkers to newer staff, including the ability to carry out sensible risk assessments.
- 5.10 CAB noted the progress of the scoping studies and agreed to receive a further report on the behavioural insights work at its February 2017 meeting. At this point the Behavioural Insights representatives left the meeting.

## **6. London Ventures Progress update**

- 6.1 CAB welcomed Victoria Evans and Shu Fei Wong from EY.
- 6.2 Thomas Man, Head of Capital Ambition, informed CAB that he would lead on this item with EY providing support as required, and confirmed that he was seeking CAB approval for key strategic programme documents: London Ventures Business Plan; London Ventures Marketing and Communications Plan and the Targeted Ventures approach.
- 6.3 The Head of Capital Ambition explained the purpose of the Business Plan, which was to articulate a detailed description of the activities and timelines for the programme. The Business Plan also set out the 'Targeted' and 'General' ventures workstreams. He also commented that there were opportunities to leverage different sources of funding e.g. corporate social responsibility funds, to maximise the impact of the programme, and drew CAB's attention to pages 10 and 11 of the document, which set out how the programme's financial sustainability would be achieved.
- 6.4 In response to a question from the Chair as to whether he was happy with the financial aspects of the programme, the Director of Corporate Resources confirmed that he was but stressed the need for close monitoring. The Director of Finance, Performance & Procurement added that the documents contained starred 'gateways' which would prompt closer scrutiny of the programme at appropriate milestones, and there was to be a formal review at the 18 month point as well.
- 6.5 CAB were informed that the Marketing and Communications Strategy document set out the key programme stakeholder groups, the approaches to engagement and the rationale for engaging with them. London Ventures success was dependent on all those involved being champions and advocates for the programme The team were keen to support CAB in terms of any communication or advocacy support they may required.
- 6.6 A key milestone for the programme was to the 23 February launch event, and formal invitations would be sent out shortly. The Chair commented that he may have an issue with

attending the event. Victoria Evans from EY agreed to talk to him after the meeting about this.

- 6.7 The Head of Capital Ambition stated that there was ongoing extensive engagement work, examples of this included attendance at the London Councils 2016 Summit, a meeting with Lord Wei in September, and meetings with London & Partners, who had approached London Councils and were keen to be involved.
- 6.8 In terms of Targeted Venture activity, the Head of Capital Ambition informed CAB that page 3 of the relevant document showed the pace of activity. Victoria Evans commented that the homelessness and temporary accommodation focus for the first targeted venture had been developed in response to consultation with senior officers from across multiple London local authorities, but there would be further opportunities to engage with CAB on the priorities. In addition Shu Fei Wong from EY mentioned that the intention was to build up a portfolio of ideas that responded to the LA's key challenges that would complement and augment existing activities. The targeted ventures approach provides the programme with the capacity to respond to London's challenges.
- 6.9 Cllr Blackwell wanted to understand how CAB linked in with the broader political leadership of LAs. He also sought clarification on whether the Mayor of London's digital agenda was to be reflected within the London Ventures programme. The Chair confirmed that the political engagement issue had been discussed at CAB before and the Board was keen for the programme to engage with politicians as well as senior officers.
- 6.10 Paul Najsarek commented that there was still a lot of unknown information around the challenges, and was concerned that there was a lot to do before the 18 month review point. He also informed CAB that digital issues were discussed at the most recent meeting of Chief Executives' London Committee, and there was an opportunity to access this forum in terms of the new programme.
- 6.11 Victoria Evans responded that a number of the projects in the current programme had a digital element to them, but there had been criticism in the past that the programme had a reputation of being solely technology focused, and EY were trying to achieve a balance.
- 6.12 Cllr Paget-Brown questioned whether the Communications strategy was the most appropriate way of reaching members, who wouldn't necessarily have time to read such a long document? He also commented that as boroughs would soon be planning for the next four years it would be useful to add an objective to ensure that those boroughs engaged with the programme included this engagement within their plans. The Head of Capital Ambition responded that a range of more targeted communication tools existed to engage with different audiences and the purpose of the communications strategy was to set out the overall approach.
- 6.13 The Director of Corporate Resources questioned whether there may be governance issues if other sources of funding were introduced into the programme.
- 6.14 The Head of Capital Ambition and representatives from EY would be looking at the overall issue of income generation and recognised its importance in supporting the continuation of the programme. The Communications and Marketing Strategy was key to underpinning this objective – Paul Najsarek felt that the Strategy was vital to the success of the programme.
- 6.15 CAB agreed to approve the Business Plan, Marketing and Communications Plan and Targeted Ventures approach, subject to the caveats expressed in the discussion.

## **7. Any Other Business**

- 7.1 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 12:00

# Leaders' Committee

## Report from the Transport & Environment Committee – 8 December 2016

Item no:

**Report by:** Alan Edwards      **Job title:** Governance Manager  
**Date:** 7 February 2017  
**Contact Officer:** Alan Edwards  
**Telephone:** 020 7934 9911      **Email:** Alan.e@londoncouncils.gov.uk

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**Summary:** Summary of the minutes of the London Councils' Transport & Environment Committee held on 8 December 2016

**Recommendations:** For information.

**1. Attendance:** Cllr Dean Cohen (LB Barnet), Cllr Colin Tandy (LB Bexley - Deputy), Cllr Ellie Southwood (LB Brent), Cllr Colin Smith (LB Bromley), Cllr Stuart King (LB Croydon), Cllr Julian Bell (LB Ealing, Chair), Cllr Daniel Anderson (LB Enfield), Cllr Sizwe James (RB Greenwich), Cllr Feryal Demirci (LB Hackney), Cllr Wesley Harcourt (LB Hammersmith & Fulham), Cllr Peray Ahmet (LB Haringey), Cllr Claudia Webbe (LB Islington), Cllr Tim Coleridge (RB Kensington & Chelsea), Cllr Phil Doyle (RB Kingston-upon-Thames), Cllr Alan Smith (LB Lewisham), Cllr Nick Draper (LB Merton - Deputy), Cllr Peter Buckwell (LB Richmond-upon-Thames), Cllr Ian Wingfield (LB Southwark), Cllr Jill Whitehead (LB Sutton), Cllr Clyde Loakes (LB Tower Hamlets), Cllr Caroline Usher (LB Wandsworth), Cllr Heather Acton (City of Westminster), and Alex Williams (Transport for London).

**2. Apologies for Absence:** Cllr Lynda Rice (LB Barking & Dagenham), Cllr Alex Sawyer (LB Bexley), Cllr Phil Jones (LB Camden), Cllr Amrit Mann (LB Hounslow), Cllr Martin Whelton (LB Merton), and Christopher Hayward (City of London).

**3. Talk by Shirley Rodrigues, Deputy Mayor for Environment & Energy, GLA**

Shirley Rodrigues introduced herself to TEC. She said that she had started her career at the City of Westminster, had previously worked at London Councils and now for the Mayor of London. Some of the following comments:

- Mayor will produce various strategies, including a "Spatial Development Plan" known as the London Plan (this will combine 6 or 7 other strategies that had previously been standalone). Boroughs would be consulted on these in spring 2017.
- Air quality would be included in transport policies – the Mayor had made clear that the environment would be included in all the other strategies.
- The TfL Business Plan was released today and included £800 million towards air quality and £700 million for cycling and walking.
- The Government had ratified the Paris Agreement on climate change. This aimed for net zero carbon emissions by 2050 and to keep any temperature rises below 2 degrees.
- The Mayor will introduce "Energy for Londoners" - a group of projects to promote energy efficiency and a look at programmes already existing, to see if they could be made more efficient. The Mayor was also looking at the current Renew and Refit programmes.

A Q and A session took place where members asked questions regarding recycling targets, energy and fuel emissions and green funding and waste.

#### **4. Proposed TEC Revenue and Borough Charges 2017/18**

The Committee considered a report that detailed the outline revenue budget proposals and the proposed indicative borough subscription and charges for 2017/18. These proposals were considered by the Executive Sub Committee under the Urgency Procedure. The Executive Sub Committee agreed to recommend that Committee approved these proposals.

The Committee approved the changes in individual levies and charges for 2017/18 as follows: **(a)** the Parking Core Administration Charge of £1,500 per borough and for TfL (2016/17 - £1,500; paragraph 37), **(b)** the total Parking Enforcement Service Charge of £0.4915 which would be distributed to boroughs and TfL in accordance with PCNs issued in 2015/16 (2016/17 - £0.4681 per PCN; paragraphs 35-36), **(c)** no charge to boroughs in respect of the Freedom Pass Administration Charge, which was covered by replacement Freedom Pass income (2016/17 – nil charge; paragraph 16), **(d)** the Taxicard Administration Charge to boroughs of £338,182 in total (2016/17 - £338,182; paragraphs 17-19), **(e)** no charge to boroughs in respect of the Lorry Control Administration Charge, which was fully covered by estimated PCN income (2016/17 – nil charge; paragraphs 20-21), **(f)** the Parking and Traffic Appeals Charge of £32.00 per appeal or £28.50 per appeal where electronic evidence was provided by the enforcing authority (2016/17 - £33.32/£29.90 per appeal). For hearing Statutory Declarations, a charge of £26.74 for hard copy submissions and £26.06 for electronic submissions (2016/17 - £28.17/£27.49 per SD) (paragraph 28), **(g)** Congestion Charging Appeals – to be recovered on a full cost recovery basis under the new contract arrangements with the GLA (paragraph 29), **(h)** the TRACE (Electronic) Charge of £7.31 per transaction (2016/17 - £7.31; paragraphs 30-34), **(i)** the TRACE (Fax) Charge of £7.48 per transaction (2016/17 - £7.48; paragraphs 30-34), **(j)** the TEC<sup>1</sup> Charge of £0.17 per transaction (2016/17 - £0.17; paragraphs 30-34), **(k)** the provisional gross revenue expenditure of £369.075 million for 2017/18, as detailed in Appendix A, **(l)** on the basis of the agreement of the above proposed charges, the provisional gross revenue income budget of £368.447 million for 2017/18, with a recommended transfer of £628,000 from uncommitted Committee reserves to produce a balanced budget, as shown in Appendix B; and **(m)** from proposed reserves of £628,000, a provisional sum of £10,000 be repatriated to each borough (and TfL) from TEC uncommitted reserves, amounting to £340,000 in total, in the form of a repayment, as per paragraph 52.

The Committee was also asked to note: **(i)** the reduction of £9.407 million or 2.64% in the Freedom Pass settlement for 2017/18; the first time an annual budget reduction had been delivered, **(ii)** the current position on reserves, as set out in paragraphs 51-55 and Table 9 of this report and agree on the preferred option(s) for reducing uncommitted reserves towards the agreed benchmark level of between 10%-15% of operating and trading expenditure, as specifically highlighted in paragraphs 54-55; and **(iii)** the estimated total charges to individual boroughs for 2017/18, as set out in Appendix C.1.

#### **5. Concessionary Fares Settlement and Apportionment 2017/18**

The Committee received a report that informed members of the outcome of negotiations with transport operators (Transport for London (TfL), the Association of Train Operating Companies (ATOC) and independent bus operators) regarding compensation for carrying concessionary passengers in 2017/18. The report also sought member approval to the proposed settlement and apportionment.

The Committee: **(i)** agreed the TfL settlement of £324.181million for 2017/18, **(ii)** agreed to the ATOC settlement of £18.872 million for 2017/18, **(iii)** agreed a budget for non-TfL bus services of £1.7 million, **(iv)** agreed the reissue budget for 2017/18 of £1.518 million, **(v)** agreed the borough payments for 2017/18 of £346.271 million, **(vi)** agreed the payment profile and dates on which boroughs' contributions are paid as 8 June 2017, 7 September 2017, 7 December 2017 and 8 March 2018; and **(vii)** agreed the 2017-2018 London Service Permit (LSP) bus operators (non-TfL buses) Concessionary Scheme.

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<sup>1</sup> The system that allows boroughs to register any unpaid parking tickets with the Traffic Enforcement Centre and apply for bailiff's warrants.



## **6. Delivery “Partnership” for Residential and Car Club Electric Charge Points**

The Committee received a report on the delivery “Partnership” for residential and car club electric charge points.

The Committee: **(i)** noted the on the Go Ultra Low City Scheme – Delivery “Partnership” for Residential and Car Club Electric Charge Points, and **(ii)** agreed to engage with relevant officers in their appointing authorities to seek prompt, constructive local authority engagement with the consultation which was planned (see paragraph 12).

## **7. Chair’s Report**

The Committee considered a report that updated members on transport and environment policy since the last TEC meeting on 13 October 2016, and provided a forward look until the next meeting on 23 March 2017.

The Committee: **(i)** noted that Alex Williams to let Cllr Usher know whether the Northern Line extension will be part of the 24 hour Tube, and **(ii)** noted the Chair’s report.

## **8. Mayor’s Second Air Quality Consultation Report**

The Committee received a report that provided members with a draft London Councils’ response to the second phase of the Mayor’s air consultation and asked for members’ comments and sign off, so that London Councils could submit it to the Mayor by 18 December 2016.

The Committee: **(i)** noted that LB Bromley did not want to be part of an expanded ULEZ, **(ii)** noted that the draft consultation response needed to be more explicit as to whether London Councils supported the inclusion of the north/south circular as part of the ULEZ boundary, **(iii)** noted that some boroughs felt that some form of Government scrappage scheme was needed for older polluting vehicles, **(iv)** noted that LB Waltham Forest could not support the consultation response unless the A406 was incorporated in the ULEZ, **(v)** agreed that London Councils should look more closely at the proposed exemptions for older vehicles and whether they were appropriate, **(vi)** agreed that the consultation response should include a two-phase approach giving support for an expanded ULEZ to the north/south circular in the first phase and then an expanded zone beyond this in a second phase, **(vii)** agree to look into accessing the data held on vehicles by the DVLA, **(viii)** noted that the current sunset period (6-7 years) was too long; and **(ix)** noted that members had until 18 December to contribute to the consultation.

## **9. A Direct Vision Standard for Heavy Goods Vehicles**

The Committee considered a report that outlined Transport for London’s (TfL) work on a Direct Vision Standard (DVS) for Heavy Goods Vehicles (HGVs) in London, which was launched by the Mayor of London on 30 September 2016. The Mayor set out how the DVS used a zero to five star rating system that rates HGVs based on how much a driver could actually see directly from the cab without using cameras or mirrors.

The Committee: **(i)** members noted the creation of a Direct Vision Standard for HGVs and its contribution towards safer roads in London, and **(ii)** endorsed the Mayor’s general proposals to work towards a London-wide ban or restrictions on unsafe, “zero-star DVS rated” HGVs in 2020 (subject to the outcome of further research and consultation and further consideration of appropriate implementation measures).

## **10. Taxicard Update**

The Committee received a report that informed members of the final Taxicard spend for 2015/16 and the projected budget outturn for 2016/17. The report also updated members on proposals which were being explored for greater coordination between the Taxicard and Dial-a-Ride schemes, and requested authority to extend the existing service contract for a further 18 months (subject to the contractor’s agreement) to allow sufficient time to undertake the new procurement.

The Committee: **(i)** noted the final Taxicard spend for 2015/16 and the projected outturn for 2016/17, and **(ii)** noted the update on the work being undertaken to explore with TfL the potential for greater co-ordination in a future re-procurement and delivery of London Councils’ Taxicard service and TfL’s Dial-a-Ride service, such matters to be reported back in due course for decision, **(iii)** commented on the approach and the indicative timetable outlined in the report, **(iv)** resolved to extend the Taxicard contract for a further year until March 2018 as permitted under clause 3.4 of the existing contract with the

provider, and (v) resolved to delegate authority to officers to negotiate and agree an additional extension to the contract of six months beyond the maximum permitted in the existing contract.

#### **11. Traffic Signals Budget 2017/18**

The Committee received a report that set out the cost to boroughs of maintaining traffic signals in London in 2017/18.

The Committee: (i) noted that Councillor Coleridge would like to see a more detailed breakdown of the costs for traffic signals in London, (ii) provisionally agreed the cost to boroughs for maintaining traffic signals in London in 2017/18, which was £11,377,024.49, (iii) agreed that this cost was apportioned between boroughs, as shown in the attached table at Appendix 1, and (iv) agreed that TfL officers that dealt with traffic signals would attend a future TEC meeting to discuss how the traffic signals budget was put together.

#### **12. Additional Parking Charges**

The Committee considered a report that detailed the proposals by the London Borough of Enfield to amend the penalty charge banding from Band B to Band A across the borough.

The Committee: (i) agreed to change the penalty banding in LB Enfield from Band B to Band A, and (ii) noted the proposed implementation date for the change of 1 April 2017.

#### **13. Code of Practice on Civil Parking Enforcement (Part 1)**

The Committee received a report that contained a revised Code of Practice and Civil Parking Enforcement (Part 1).

The Committee: (i) agreed that Spencer Palmer would circulate to TEC members details of the Private Members' Bill, supported by the Government, to amend the Road Traffic Regulation Act (1984), that would mean local authorities would need to consult formally if they wanted to increase the cost of parking charges, (ii) noted the contents of the revised Part 1 of the Code of Practice and agreed that it should replace Part 1 of the existing Code, and (iii) recommended the adoption of Part 1 of the Code of Practice by all London authorities that carried out civil parking enforcement of parking regulations.

#### **14. London Lorry Control Scheme Review**

The Committee received and noted a report that provided members with an update on the progress of the review of the London Lorry Control Scheme (LLCS).

#### **15. Re-Appointment of Environment and Traffic Adjudicators**

The Committee considered a report that proposed the re-appointment of two environment and traffic adjudicators.

The Committee recommended that the following adjudicators be re-appointed for a period of 5 years from 6 December 2016: Christopher Rayner and Belinda Pearce (Joanne Oxlade was re-appointed via the TEC Urgency Procedure).

#### **16. Items Considered under the Urgency Procedure**

The Committee received and noted the following report that was sent to TEC Elected Officers on 10 November 2016: **Appendix 1:** Draft Revenue Budget and Borough Charges 2016 (including Appendices A, B, C1 and C2, D and E).

#### **17. Minutes of the TEC Main Meeting held on 13 October 2016**

The minutes of the TEC Main meeting held on 13 October 2016 were agreed as an accurate record.

**The meeting finished at 16:20pm**

**Minutes of the Meeting of the Executive  
Tuesday 17 January 2017 9:30am**

**Cllr Claire Kober OBE was in the chair**

**Present**

<b>Member</b>	<b>Position</b>
Cllr Claire Kober OBE	Chair
Cllr Teresa O'Neill OBE	Vice chair
Mr Mark Boleat	Vice chair
Cllr Ruth Dombey OBE	Vice chair
Mayor Sir Steve Bullock	
Cllr Ray Puddifoot MBE	
Cllr Julian Bell	
Cllr Kevin Davis	
Cllr Lib Peck	
Cllr Darren Rodwell	

In attendance: London Councils officers and Mr John Barradell (City of London Chief Executive) in his capacity as Chair of the London Resilience Local Authorities' Panel.

**1. Apologies for absence and announcement of deputies**

Apologies for absence were received from Cllr Peter John OBE.

**2. Declaration of interest**

No interests were declared.

**3. Minutes of the Executive Meeting held on 13 September 2016**

The minutes of the Executive meeting held on 13 September 2016 were agreed.

**4. Resilience and Emergency Preparedness Review**

The Chair invited Mr John Barradell, Chair of the London Resilience Local Authorities' Panel to introduce the report. He did as follows:

- Resilience arrangements in London were put in place before the 7/7 attacks and have been updated after every significant exercise since
- The report outlined proposals for strengthening London's emergency planning arrangements, following a review commissioned by the London Resilience Local Authorities Panel early in 2016.
- The Panel was keen to build on the foundation of lessons learned during the major multi-agency 'Exercise Unified Response'
- The report also took account of the issues raised in Lord Toby Harris' subsequent review of London's preparedness for a major terrorist attack, commissioned by the Mayor of London in May 2016, which focused on a Marauding Terrorist Firearms Attack
- The report looks at how different parts of local government are affected, such as Housing.

Cllr Teresa O'Neill drew attention to recommendation 72:

*Local authorities should be prioritising an effective functioning CCTV network for the detection and prevention of terrorist (or indeed criminal) activity across the Capital in the interests of public safety. The level and functionality of CCTV provision should be kept under review by the Mayor's office.*

She said that the previous mayoral administration had initiated a discussion of pan-London CCTV with the aim of emulating best practice in other major cities. She said that most of the CCTV in London was TfL's and the Mayor needed to combine it with boroughs to produce a comprehensive approach.

The Head of Strategic Policy reported that London Councils had reviewed provision in boroughs and MOPAC (Mayor's Office for Policing and Crime) had set up a CCTV Task Force which was meeting on the following day and a strategy was under consideration.

The Executive agreed to:

- Note the report

- Approve the approach recommended by the Local Authority Panel for strengthening resilience and emergency preparedness across London's local authorities
- Bring a report to Leaders' Committee in February to enable all Leaders to consider the issues raised by the reviews alongside the proposed improvement measures.

## **5. National Funding Formula for schools – stage 2**

The Head of Children's Services introduced the report saying:

- The government had published the second phase of its consultation on the introduction of a National Funding Formula for Schools in December 2016, which had included details of school and local authority level allocations across the country.

Whilst London had fared better than previously indicated - largely due to the £400m extra funding announced by government and a 3% cap on overall reductions for each school - 70% of London's schools would still face a reduction as a result of the introduction of the NFF and each London borough had at least one school affected by these cuts. London was the worst hit region in the country.

- These reductions would be felt keenly in the current financial climate. The NAO had recently shown that schools across the country would face 8% additional unfunded costs by 2020 so that, even in schools that gained through the NFF, they would lose funding overall.
- Lobbying would continue and businesses, head teachers and MPs would be briefed over the course of the consultation period. An APPG (All-Party Parliamentary Group) meeting on school funding was scheduled for 7<sup>th</sup> February and a further report would go to Leaders' Committee in February.
- Cllr Peter John OBE Executive member for business, skills and Brexit and Cllr David Simmonds CBE, his Conservative shadow, met Nick Gibb MP, Minister of State for

Schools, on the previous Wednesday to make the case for protecting schools' budgets fully from the NFF. Cllr Kober also met with the minister on 16<sup>th</sup> January. The minister was quite open to London Councils' views but was keen to stress that the Department had shifted considerably to give London a better funding settlement and this needed to be recognised in London Councils' consultation response.

The Chair believed that London needed to make a case around trying to ensure no detriment to individual schools and to build upon both London performance and the clear concern being expressed by parents in seeking to change the approach being taken by Government.

Cllr Ray Puddifoot MBE called on London Councils to try to ensure that Schools Forums were made aware that reductions in school funding were as a result of these national decisions. He went on to argue that given the direction of travel on funding and powers, the role of local authorities in retaining responsibility for school places would be called into question.

Cllr Teresa O'Neill raised an issue concerning Schools Forums. She said she would be grateful for guidance on her understanding which was that the Schools Forum had to agree two funding streams from the Dedicated Schools Grant:

- First, "Retained duties" which the local authority has for the whole school sector (dependent on the local offer that could include School Improvement, Statutory & Regulatory Duties, Education Welfare Service, Asset Management, etc.)
- Second, ESG (Education Services Grant) for maintained schools

On the first point it was clear that the Schools Forum needed to make a formal decision whether to approve but it was not clear what would happen if schools refused to approve the expenditure.

For the second point above the local authority could retain some of the schools block funding to cover the statutory duties they carried out for maintained schools (which was previously funded through ESG) by setting a simple per pupil rate for mainstream schools (a differential rate could be applied for special schools & pupil referral units). Although the amount to be top sliced must be approved by the maintained schools

members of Schools Forum, in the event of failure to reach agreement the adjudication process was with the Secretary of State.

The Head of Children's Services said she would clarify matters with her outside of the meeting.

Cllr Ruth Dombey OBE argued that London had a good story to tell and its success over the past five or ten years was a case study in what could be achieved with investment in schools even in some of the most deprived areas in the country.

Cllr Kevin Davis said that overspending the DSG (Dedicated Schools Grant) would be an increasing problem for many boroughs.

The Chair concluded by saying:

- She noted ministerial enthusiasm for multi-academy trusts, but many were small and were not likely to be a complete answer.
- That she agreed with Cllr Puddifoot's concern about councils being wrongly blamed for the shortcomings of the education system without sufficient power to influence this. She felt that we should be campaigning to retain powers for local authorities, both by soft and hard power.

The Executive agreed:

- The position that London Councils' Leaders' Committee agreed in March 2016 - to ensure that fairer funding through a NFF should not result in a reduction in funding for London's children – was still applicable in relation to the NFF as set out in the second stage of the consultation.
- That London Councils draft a response to the NFF that made the case for continued investment in London's schools, taking into account current pressures in the system. The response would draw on the wider context of budgetary reductions as identified by the NAO (National Audit Office) report and focus on the impact that any reduction could have on school standards across the capital.

- That London Councils continue to work with head teachers, MPs and businesses to inform them of the risk to the standards of education in London and financial viability of London's schools.
- The deadline for consultation responses is 22 March and a report will go to Leaders' Committee to seek support for a collective position on school funding.

## **6. Provisional Local Government Finance Settlement 2017-18**

The Chief Executive introduced the item saying it outlined the main headlines from the provisional settlement for London local government, including changes to flexibility to raise the Social Care Precept, the new Adult Social Care Support Grant funded by a cut to New Homes Bonus and changes to the business rates retention scheme resulting from the 2017 Revaluation. London Councils response had already been cleared and submitted and this report offered the opportunity for the Executive to discuss it further if they chose to.

The Executive agreed to note the report.

## **7. Policy Developments: Devolution and Public Service Reform**

The Chief Executive introduced the report saying it provided an update on London Councils' work on two areas of devolution:

- Health devolution
- Devolution of the Work and Health Programme

On Health Devolution he reported discussions since the Leaders' Committee report in December involving London Councils' Chair, the Health portfolio-holder (Cllr Kevin Davis) and our other nominees on the London Health Board (Cllr. Hayward and Cllr. Watts). The Memorandum of Understanding (MoU) was being worked towards with national partners and was likely to be ready for sign-off in the next couple of weeks.



On the Work and Health Programme (Employment Support), after the success of securing the devolution of the Work and Health programme to London (announced in the Autumn Statement) discussions had continued with the Department for Work and Pensions (DWP) on a joint approach. The Chair pointed out that she had met the Mayor on the previous Friday and had discussed the importance of getting some dates and a Congress meeting in diaries.

At the last meeting of the MDG (Member Devolution Group), it had been agreed that London's narrative needed to be more strongly rooted in the emerging Government emphasis on a place-based industrial strategy. A date was currently being sought for a further meeting of the MDG to begin to consider some of the broader governance issues flowing from devolution. The Chair pointed out that she had met the Mayor on the previous Friday and had discussed the importance of getting some dates and a Congress meeting in diaries.

Cllr. Darren Rodwell expressed his concern about Sustainability and Transformation Plans in his area.

The Executive agreed to note the report.

## **8. Nominations to Outside Bodies**

The Executive agreed to note the following appointments:

Cllr Fiona Colley (Southwark) to the LFEPA

Cllr Denise Hyland (Greenwich) to the London Regional Council of the Arts Council England

Cllr Nick Draper (Merton) to the LVRPA

### Heathrow Airport Consultative Committee (HACC)

Cllr Steve Curran (LB Hounslow)

Deputy - Cllr Tim Coleridge (RB Kensington & Chelsea)

### Thames Regional Flood & Coastal Committee (RFCC)

West – Cllr Dean Cohen (LB Barnet)

South West – Cllr Nick Draper (LB Merton)

South East – Cllr Alan Smith (LB Lewisham)

North East – Cllr Lynda Rice (LB Barking & Dagenham *(post meeting note)*)

Central North – Cllr Tim Coleridge (RB Kensington & Chelsea)

*Central South* – Cllr Jenny Brathwaite (LB Lambeth)  
*North* – Cllr Daniel Anderson (LB Enfield)

London Sustainable Development Commission  
Cllr Claudia Webbe (LB Islington)

Urban Design London (UDL)  
Cllr Daniel Moylan (RB Kensington & Chelsea)  
Cllr Nigel Haselden (LB Lambeth)

London Waterways Commission  
Cllr James Beckles (LB Newham)  
Cllr Lynda Rice (LB Barking & Dagenham)  
Cllr Terry Paton (RB Kingston)

Thames River Basin District Liaison Panel (Thames LP)  
Cllr Alan Smith (LB Lewisham)

London Waste & Recycling Board  
Cllr Feryal Demirci (LB Hackney)  
Cllr Ian Wingfield (LB Southwark)  
Cllr Bassam Mahfouz (LB Ealing)  
Cllr Nicholas Paget-Brown (RB Kensington & Chelsea)

London Cycling Campaign (LCC)  
Cllr Feryal Demirci (LB Hackney)

## **9. Month 6 Revenue Forecast 2016/17**

The Director of Corporate Resources introduced the item saying that the headline figures had been in the budget paper that went to Leaders' Committee in December. For audit purposes the figures also needed to go to the Executive. They would have gone in November only that meeting was cancelled.

The Executive agreed to note:

- The overall forecast surplus as at 30<sup>th</sup> September 2016 (Month 6) of £1.758 million and
- The position on reserves as detailed in the report.

## **10. Audited Accounts 2015/16**

The Director of Corporate Resources introduced this item with a similar caveat to the previous item, that it came to the Executive as an audit requirement. It represented the final piece in the jigsaw of the 2015/16 accounts.

The Executive agreed to:

- Note that there was no significant change to the pre-audited financial outturn for 2015/16 for each of London Councils' three committees and
- Formally adopt each of the three statutory accounts attached as appendices to the report.

#### **11. Report of decision taken under the Urgency Procedure**

The Executive agreed to note the decision taken under the urgency procedure to agree the London Councils submission to the Cities Growth Commission.

#### **Action points**

<b>Item</b>	<b>Action</b>	<b>Progress</b>
<b>4. Resilience and Emergency Preparedness Review</b> <ul style="list-style-type: none"> <li>• A report to go to Leaders' Committee in February.</li> </ul>	<b>Strategic Policy and CG</b>	Report drafted for Leaders' Committee in February 2017.
<b>5. National Funding Formula for schools – stage 2</b> <ul style="list-style-type: none"> <li>• A response to the NFF to be submitted that made the case for continued investment in London's schools, taking into account current pressures in the system. The response to draw on the wider context of budgetary reductions as identified by the NAO (National Audit Office) report and focus on the impact that any reduction could have on school standards across the capital.</li> </ul>	<b>PAPA Children's Services</b>	Report going to Leaders' Committee in February 2017

The meeting ended at 10:30