

# Leaders' Committee

## Summaries and Minutes

Item no: 8

**Report by:** Derek Gadd      **Job title:** Head of Governance  
**Date:** 11<sup>th</sup> July 2017  
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**Summary**      Summaries of the minutes of London Councils

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

- Grants Committee – 8 February 2017
- YPES – 23<sup>rd</sup> February 2017
- Audit – 23 March 2017
- TEC – 23 March 2017
- Pensions – 12 April 2017
- TEC – 15 June 2017
- Executive – 20 June 2017

**LONDON COUNCILS GRANTS COMMITTEE**  
**8 February 2017**

Minutes of the Grants Committee held at London Councils, 59½ Southwark Street, London SE1 0AL on Wednesday 8 February 2017

London Borough & Royal Borough:

Bexley  
Brent  
Bromley  
Camden  
Ealing  
Greenwich  
Hammersmith & Fulham  
Haringey  
Harrow  
Havering  
Hounslow  
Islington  
Kensington & Chelsea  
Kingston Upon Thames  
Lambeth  
Lewisham  
Merton  
Newham  
Redbridge  
Southwark  
Sutton  
Waltham Forest  
Wandsworth  
Westminster

Representative:

Don Massey  
Margaret McLennan  
Stephen Carr  
Jonathan Simpson  
Ranjit Dheer  
Denise Scott-McDonald  
Sue Fennimore  
Eugene Ayisi  
Kiran Ramchandani (substitute)  
Melvin Wallace  
Richard Foote  
Kaya Comer-Schwartz  
Gerard Hargreaves  
Julie Pickering  
Paul McGlone  
Joan Millbank  
Edith Macauley  
Forhad Hussain  
Bob Littlewood  
Barrie Hargrove  
Simon Wales  
Liaquat Ali  
James Madden OBE  
David Harvey (substitute)

London Councils officers were in attendance.

**1. Apologies for Absence**

- 1.1 Apologies were received from Cllrs Alison Gowman (City of London), Hamida Ali (Croydon), Yasemin Brett (Enfield), Sue Anderson (Harrow), Meena Bond (Richmond) and Antonia Cox (Westminster).

**2. Declarations of Interest**

- 2.1 There were two declarations of interest: Cllr Joan Millbank (Lewisham) as an employee of City Bridge Trust and Kiran Ramchandani (Harrow) as UK Community Foundations.

**3. Minutes of the Grants Committee held on 23<sup>rd</sup> November 2016**

- 3.1 The Minutes of the meeting were agreed as an accurate record of the meeting.

**4. Grants Programme 2017-21: Recommendations**

- 4.1 The Chair introduced the item, confirming its importance and informing the Committee that the programme had been the subject of a year long review which had concluded in December 2016. The Chair added that it had been agreed that a programme would be

going forward which focused on three priorities and did not have a priority solely focused on capacity building. However, there was capacity building in Priorities 1 and 2 to support the objectives of supporting the sector. He acknowledged the work of City Bridge Trust and the close alignment in the programme between homelessness and employment, and of the relationship between inner and outer London, both of which had been concerns for the Committee.

- 4.2 The Chair drew attention to the maps, which again had been a specific need expressed by the Committee, and which allowed providers to be held to account for schemes operating for the benefit of people from individual boroughs.
- 4.3 Thanks were extended to Cllr Sarah Hayward who, as Equalities portfolio holder had advised on equalities considerations in the report, principally section 6 (Equalities) on page 23 of the paper.
- 4.4 The Chair invited Katy Makepeace-Gray, Principal Programme Manager, to outline the first section of the report and to receive questions from the Committee: this part of the report included the background to the grants review, value for money considerations and the linking of Priority 1 homelessness projects with Priority 2 sexual and domestic violence; it also included details of the assessment and moderation process, leading to Table 1, a list of applications recommended for funding, and Table 2, a list of those applications not recommended.
- 4.5 Cllr Pickering asked about whether it was possible to develop a greater understanding of inner and outer London delivery within the scoring process and to tease out the differences when reviewing the framework? The Principal Programme Manager confirmed that columns 2 and 3 in the service area maps gave more specific information about targets for each borough which were agreed in the service specifications and the anticipated delivery as outlined in the applications. There would be capacity to review those targets during the life of the programme. Ability to deliver to different parts of London and fit with local services were part of the application scoring framework. Simon Courage, Head of Grants and Community Services, mentioned that this was the first time that targets by borough had been delivered, but that there would also be the opportunity to review the framework later in the programme.
- 4.6 Cllr Millbank asked, in relation to section 7.7 of the report, whether the scoring by 'officers' related to internal staff only and whether all boroughs had been involved? The Principal Programme Manager confirmed that the scoring was carried out by one internal member of staff and one person from the boroughs, and that some boroughs had been more involved than others. It was agreed that London Councils would provide a list of external staff involved in scoring to members of the Committee.
- 4.7 Cllr Littlewood felt that the voluntary sector should be more involved in the assessment process via the boroughs, to achieve a more joined up approach. The Chair acknowledged this and the need for a systematic approach to the issue, but commented that practically London Councils Grants team were small in number. Cllr Hussain also commented that providers could undertake to work with borough officers when confirmed via the commissioning process.
- 4.8 While Cllr Dheer was pleased to see the progress made in the production of the borough maps he felt that the inclusion of the London Voluntary Service Council in the assessment process could be useful.
- 4.9 Cllr Scott-McDonald was concerned that there had been a number of changes of staff within teams in Greenwich and the impact this would have had on contact with London

Councils. The Head of Grants and Community Services confirmed that London Councils now had a good working relationship with the present grants contact in that borough.

- 4.10 The Chair asked the Principal Programme Manager to inform the Committee about the single received Right to Reply against being funded, from Women in Prison. The Committee were informed that although the organisation had in their response mentioned the specialist service provided, it was pointed out that St Mungos also offered a relationship with prisons. After reviewing WiP's response Officers were not minded to change their recommendation.
- 4.11 Cllr Hargreaves asked about the impact on delivery for organisations proposed for funding that were not being recommended at a level of funding that matched the level requested. The Principal Programme Manager confirmed that the organisation would have to submit revised work plans, outcomes and budgets to reflect this ( if the bids were approved). Cllr Hargreaves also asked on what basis the recommendation was made not to award the amount requested to particular applications such as SignHealth. The Principal Programme Manager confirmed that there were more high quality applications than budget available and that recommendations were based on addressing the different elements of the service specifications and within the budget envelope.
- 4.12 Cllr Millbank asked about the decision to fund the Women's Resource Centre but not Southall Community Alliance, even though the latter scored higher, and whether the former had the right to challenge. The Principal Programme Manager confirmed that scoring was carried out within the specification and WRC was the only applicant in that area. In terms of appeal, it was confirmed that the Right to Reply was offered to all organisations that were not recommended for funding, although only Women in Prison exercised that right.
- 4.13 In response to a question from Cllr Simpson regarding the lack of inclusion of no recourse to public funds and homelessness, the Principal Programme Manager pointed out the inclusion of Shelter in the bids (page 34 of the report) and the Ashiana Network, and that targets within the 2.4 priority would reflect specialist homeless needs including those with no recourse to public funds. Cllr Simpson felt that as rough sleeping predominantly affected single men, this should be looked at. It was agreed that London Councils would reflect this issue in one of the forthcoming 'themed' reports.
- 4.14 Cllr Hargrove welcomed the equality monitoring aspects of the programme, but asked how any failures to meet Equality Act duties would be reported back to Members. The Chair confirmed that detailed delivery reporting would be made back to members from the November 2017 meeting.
- 4.15 It was noted by Cllr Pickering that some of the organisations' outcome indicators were better defined than others, and asked whether there were any lessons to be learned from some of the clearer bids? The Head of Grants and Community Services commented that for some services outcomes were easier to define than others, but it was hoped that organisations finding it more difficult to clearly articulate outcomes could learn from the best.
- 4.16 The Chair moved to seek approval for the recommendations in the report, and while Councillor Carr pointed out that any approval would be subject to delivery and performance, the Chair confirmed that the Committee would hold commissioned organisations to account in accord with its Commissioning Performance Management policy and procedures, discussed elsewhere on the agenda. Therefore the Committee:
- Noted London Councils response to the issues raised during the Grants Review (1)
  - Noted the approach to embedding equalities throughout the process and the programme (2)

- Agreed the recommendations in Table 1 relating to Priority 1 and the recommended funding for the period 1 April 2017 – 31 March 2021 at an annual level of £2,472,427 and an indicative level of £9,889,711 over four years (3)
- Agreed the recommendations in Table 1 relating to Priority 2 and the recommended funding for the period 1 April 2017 – 31 March 2021 at an annual level of £3,700,705 and an indicative level of £14,802,821 over four years (4)
- Noted the reasons for not recommending funding to applications set out in Table 2 of the report (5)

4.17 The Chair formally thanked the Grants team and London Councils staff involved in the programme for a high quality set of recommendations. This thanks was echoed by the whole Committee.

## **5. Commissioning Performance Management Review**

- 5.1 Cllr Hussain introduced the report, a version of which had been reported to members at the previous meeting. Comments from that meeting and discussions with London Boroughs had now been incorporated to provide a framework where commissioned projects can be effectively managed from their inception. The Head of Grants and Services added that the review focused on outcomes as part of an overall value for money approach, and confirmed that the approach was to performance manage rather than monitor projects. The emphasis would be on those projects deemed high risk, and the use of a triangulation approach involving boroughs and the involvement of providers to ensure that projects issues are quickly highlighted.
- 5.2 Cllr Hargreaves commented that case studies provided tended to be successful ones, and that on occasion it would be good to see studies where there have been problems and lessons learnt.
- 5.3 In response to a question from Cllr Pickering about how it was confirmed whether organisations were ‘not for profit’ within the due diligence process and whether there were resources to do this, the Principal Programme Manager confirmed that accounts were examined to check that any surpluses made were ploughed back into services.
- 5.4 Cllr Millbank agreed that case studies were important as circumstances within organisations were liable to change and it was therefore good to have a mix of information – it was also helpful to understand where things have not worked well.
- 5.5 Cllr Comer-Schwartz asked that the language relating to closing projects should be softened to reflect the fact that these commissions will be working with very vulnerable people. The Councillor’s experience in Islington was to use terms like ‘feasibility’ and ‘signposting’ rather than ‘closing down.’ London Councils agreed to review the language here.
- 5.6 The Chair raised the possibility of asking providers to provide short 20/30 minute presentations to the Committee, which was agreed as a good idea. The possibility of carrying out visits to organisations was also raised. Again while this was agreed to be a good idea there was concern that larger organisations with more resources for such visits would manage whilst smaller organisations might be daunted by such a prospect.
- 5.7 The Committee noted the report and agreed to adopt the Commissioning Performance Management Framework.

## **6. Leadership in the Third Sector**

- 6.1 The Chair introduced the report, confirming that the money budgeted to work with City Bridge Trust had already been agreed by the Committee, and the aim of this paper was

to consider the draft Terms of Reference for a new group to provide the necessary political leadership and bolster third sector opportunities.

- 6.2 Members were informed that although some legal advice on the issue had already been obtained the Chair wished for the final agreement on the ToR to be agreed via the Vice Chairs, and that as part of this it was important to get the right numbers of Members involved. He confirmed that this was not a formal sub committee. It was agreed that membership of the group should be agreed via the political groups.
- 6.3 Cllr Carr asked whether this group was more a 'start and finish' body and whether the Executive could fulfil the leadership function? However the Chair felt that many interested Members were not part of the Executive. It was noted however that the group's remit focused on the agreed workplan which was currently for a one year period , and as such the group was time limited, subject to review
- 6.4 Members noted the work plan for leadership in the third sector, the budgetary provision for the work, and the terms of reference, subject to any legal issues. It was agreed at the meeting that the Chair and Vice Chair of Grants Committee take forward constituting the group with the support of the political advisers.

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

- 7.1 The Chair asked Frank Smith, Director of Corporate Resources, to introduce the item. Members were informed regarding the surplus that there was a slight reduction on the half year position due to processing claims for grants and administration issues – the position had previously been considered and agreed at Leaders Committee.
- 7.2 The Director of Corporate Resources also confirmed that next year was the final year for the payment of £1m for the ESF programme – after that no further money would be demanded and the programme would be funded by the money already levied.
- 7.3 It was confirmed, in relation to the £38k for funding support via City Bridge Trust, that a person had now been appointed to the position.
- 7.4 Members noted the projected surplus of £759,000, the projected level of Committee reserves, and the remainder of the financial report.

The meeting ended at 15.05.

# Young People's Education and Skills Board

**Date** 23 February 2017    **Venue** London Councils

**Meeting Chair** Cllr Peter John OBE

**Contact Officer:** Peter O'Brien

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## Present

Cllr Peter John OBE	London Councils Executive member for Business, Skills and Brexit (Chair)
Denise Donovan	Department for Work and Pensions (on behalf of Derek Harvey)
Dr Caroline Allen OBE	AoC/NATSPEC
Dr Graeme Atherton	AccessHE
Dr Jane Overbury OBE	AoC/Sixth Form Colleges
Gail Tolley	Association of London Directors of Children's Services
Mary Vine-Morris	Association of Colleges (AoC) London Region
Susan Crisp	Greater London Authority (GLA) (for Joanne McCartney/Caroline Boswell)
Tim Shields	Chief Executives London Committee
Yolande Burgess	London Councils Young People's Education and Skills
Zeena Cala	Skills Funding Agency

## Guests and Observers

Dr Deirdre Hughes	DMH Consulting
Michael Heanue	LEAP officer

## Officer(s)

Jamie Saddler	London Councils Young People's Education and Skills
Peter O'Brien	London Councils Young People's Education and Skills

## Apologies

Arwell Jones	Association of School and College Leaders
Caroline Boswell	Greater London Authority (GLA) (for Joanne McCartney)
Derek Harvey	Department for Work and Pensions
Philip Barron	Land Securities
Sam Parrett OBE	AoC – Further Education Representative

## 1 Welcome and introductions

1.1 Cllr John welcomed attendees to the Board meeting and apologies were noted.

## 2 Declarations of Interest

2.1 No interests were declared.

### **3 Notes and Matters Arising from the last meeting**

- 3.1 The notes of the last meeting were agreed; all actions had been taken forward and, further to item 7 on the minutes, there were no additional comments on the pre-publication draft of Vision 2020. Board members recorded their appreciation for the standard of reports produced by the Young People's Education and Skills team.

**Action: Young People's Education and Skills team to publish Vision 2020**

### **4 Apprenticeship Levy and Public Sector Target**

- 4.1 The Board received a presentation covering governance, funding and growth and which concluded with an overview of the challenges for London and options for further action.
- 4.2 Board members also expressed interest in how London Councils plans to disseminate and share best practice/case studies on boroughs' readiness for both the levy and their apprenticeship targets.

**Action: Young People's Education and Skills team, working through the Apprenticeship Sub-Group (and Heads of HR Group where appropriate) to gather further information from Boroughs and the Skills Funding Agency and gauge interest in developing a pan London strategic Market Position Statement (for both available standards and standards that London may wish to develop).**

### **5 London Ambitions**

- 5.1 Dr Deidre Hughes provided the Board with an update on the progress that has been made since the launch of London Ambitions and the challenges facing London. Dr Hughes advised the Board that there continued to be great interest in London's approach elsewhere in the country and internationally.
- 5.2 The Board reiterated its strong support for London Ambitions and was pleased to hear that Deputy Mayor of London Mr Jules Pipe was now recruiting members to the Skills for Londoners Task Force. It was understood that Mr Pipe promoted London Ambitions at a recent meeting with Ministers.
- 5.3 In further discussion, the Board felt that while the dialogue on devolution to London referred to 'all-age' careers guidance, the focus should remain on the 7-19 age group. The Board agreed that an update of the London Ambitions foreword from the current Mayor of London, should be produced and the support of all relevant Deputy Mayors of London should be secured.
- 5.4 The Board agreed that the Advisory Group had taken operational implementation forward successfully – with approximately 450 schools and employers registered on the portal - but the emphasis should now be at a strategic level.

**Action: Young People's Education and Skills team, working with the GLA, to secure a fresh Mayoral foreword to London Ambitions; to stand down the London Ambitions Advisory Group and establish a strategic group to take forward the implementation of London Ambitions**

### **6 Policy Update**

#### ***General policy update***

- 6.1 The Board expressed its serious concern that the proposed changes in the funding system would, if implemented in their current form, provoke a crisis in schools in



London. Further representations will be made, including contributing to the latest consultation and Mary Vine-Morris agreed to send Yolande Burgess the AoC's position statement for consideration for inclusion into the London Councils response.

**Action: London Councils to consider the Association of Colleges' position when responding to the consultation on the National Funding Formula**

#### ***Area reviews***

- 6.2 The Board received a report from the Greater London Authority that the final drafts of reports have been shared with the steering groups for checking and they should be published soon (**Post-meeting note:** the reports were published on 24 February and are available [here](#)). Primary responsibility for implementation of recommendations rests with the colleges who are currently working through the due diligence process.
- 6.3 The Department for Education has agreed to accept one application for Transition Grant funding for a pan-London Special Educational Needs and Disabilities Review and one for each sub-region to explore the creation of sub-regional Adult Community Learning (ACL) hubs. This was a recommendation of the ACL Review that ran in parallel with the Area Review. The deadline for those applications is 31 March.

#### ***European Social Fund (ESF) update***

- 6.4 It was reported that providers in the London ESF Youth Programme do not appear to be making best use of the Careers Guidance strand and that referrals from Outreach into the Targeted Interventions seem to be moving neither as quickly nor in the quantity that was anticipated. Youth Talent, which aims to bridge the Programme to employers, appears to be disconnected from the rest of the Programme.
- 6.5 The first Information Exchange event took place with 80 people attending; the next event will take place on 24 March.

### **7 Raising the Participation Age (RPA)**

- 7.1 The Board was reminded about the changes in reporting methodology and the limited areas in which meaningful comparisons could be made with reports previously presented to it. The Board noted that NEET in London was edging closer to the national average and asked that, if this trend continued, the report on RPA should be discussed in greater depth at the next meeting.

### **8 AOB**

- 8.1 Dates of future meetings were agreed as follows:
- Thursday 6<sup>th</sup> July, 3-5pm, London Councils
  - Thursday 16<sup>th</sup> November, 3-5pm, London Councils
  - Thursday 22<sup>nd</sup> February 2018, 3-5pm, London Councils

## **Minutes of the Meeting of the Audit Committee 23 March 2017**

Cllr Roger Ramsey was in the Chair

### **Members Present:**

Cllr Roger Ramsey (LB Havering)  
Cllr Simon Wales (LB Sutton)  
Cllr Fiona Colley (LB Southwark)  
Roger Chadwick (City of London)

### **In Attendance:**

Jeremy Mullins, City of London  
Pat Stothard, City of London  
Neil Hewitson, KPMG  
Stephen Lucas, KPMG

London Councils' officers were in attendance.

The Chair informed members that this was Roger Chadwick's last Audit Committee meeting. He said that Roger Chadwick had been a member of this Audit Committee since 2010 and thanked him for his service and contributions to the Committee. The Chair welcomed a new member to the Audit Committee, Councillor Fiona Colley (LB Southwark), who had replaced Councillor Jas Athwal. John O'Brien (Chief Executive, London Councils) also thanked Roger Chadwick for all his work and efforts on the Audit Committee.

Introductions around the table were made.

### **1. Apologies for Absence**

An apology for absence was received from Councillor Stephen Alambritis (LB Merton)

### **2. Declarations of Interest**

There were no declarations of interest.

### **3. Minutes of the Audit Committee meeting held on 22 September 2016**

Councillor Wales asked for an update on the "Action Point" (page 5 of the minutes) regarding the plastic cards and the Emergency Communications part being issued to members. Frank Smith confirmed that the cards would be sent to members within the next two weeks.

The minutes of the Audit Committee meeting held on 22 September 2016 were agreed as being an accurate record.

### **4. Internal Audit Plan 2017/18**

The Audit Committee received a report that detailed the draft internal audit plan for 2017/18, as proposed by the City of London's Internal Audit section, under the terms of the service level agreement for financial and payroll services. The report also provided details of the proposed rolling five-year programme covering the period up to 2021/22.

David Sanni, Head of Financial Accounting, London Councils, introduced the report. He informed members that the draft internal audit plan was for 2017/18, along with a 5-year rolling programme up to 2021/2022. The report had already gone to the Chair and London Councils' Corporate Management Board (CMB). The planned work for the internal audit for 2017/2018 could be found at Appendix A in the report (page 9), along with the 5-year internal audit plan at page 10 of the report.

The Chair pointed out that the date of the last review of Grants in the 2017/18 internal audit plan was September 2016 (with 20 Audit days of work), but was shown as November 2016 in the 5-year rolling programme. He noted that 20 days had been allocated to a Grants review in the 2017/18 plan and asked why it was being carried out so soon after the previous review. Pat Stothard, City of London, said that the 20 days allocation of work would be focussed on the Grants audit, but there could be flexibility around this. Similar work had been carried out before on the Grants audit, and this proved to be time consuming. He said that London Councils' officers had been consulted during the preparation of the plan. Frank Smith, Director of Corporate Resources, London Councils, said that the review had been included due to the commencement of the new Section 48 and ESF grant programmes and the timing provided an opportunity to assess the adequacy of controls around the award of contracts and monitoring of commissions.

Jeremy Mullins, City of London, said that the previous internal audit had focussed on the financial vetting process and recent changes to the process. He said that they had a number of recommendations, along with the need for a few more checks. Councillor Wales voiced concern about duplication taking place. He felt that this was an area that was worth looking at. Jeremy Mullins said that the audit would be looking at the visits being made. Audit systems were also being looked at, along with ongoing Grants checks.

The Audit Committee approved the internal audit programme for 2017/18 and the rolling five-year programme, as proposed by the City of London and detailed in Appendix A of the report.

## **5. External Audit Plan 2016/17**

The Audit Committee received a report that presented the draft external audit plan for 2016/17 prepared by London Councils' external auditor, KPMG. The draft audit plan informed the Audit Committee of the scope of the external audit for London Councils for 2016/17.

David Sanni introduced the external audit plan report for 2016/17. Members were informed that Philip Johnstone, the previous Engagement Leader, had been replaced by Neil Hewitson to work on the external audit. Neil Hewitson said that two significant risks had been identified - Management override of controls and the Triennial Pensions Valuation (page 16 of the report). He notified members of the audit fee, which could be found on page 21 of the report, and the declaration of independence and objectivity (page 25 of the report).

The Chair asked whether the materiality levels applied to the TEC accounts were artificially high due to the costs for the Freedom Pass. Frank Smith confirmed that borough Freedom Pass contributions were made directly to TfL. Neil Hewitson said that this had been taken into account when the materiality levels were set.

The Audit Committee approved the draft external audit plan for 2016/17, as detailed in Appendix A of the report.

## **6. Internal Audit Reviews Update**

The Audit Committee considered a report that provided members with an update of the internal audit reviews completed by the City of London's Internal Audit section since the last meeting held in September 2016.

David Sanni introduced the internal audit review update and informed members that one review on the procurement of goods and services had been completed during the period. He said that the review established that there was a sound control environment in place but highlighted some instances where controls could be improved (Appendix A, page 31). Steps were in place to implement the recommendations in the audit review.

Councillor Colley asked whether there were any plans in place to modernise the hand written purchase orders and date stamps. David Sanni explained that London Councils used the City of London's accounting system and that the use of their purchase order system had been considered but not progressed due to complications with the purchase to pay systems and implementation costs. Frank Smith said that London Councils was a small organisation, in comparison to the boroughs, and the existing manual system currently served the organisation's needs. There would be cost implications involved should the system be upgraded. Councillor Colley said that all the paper purchase orders could be destroyed in the event of a fire. Frank Smith said that he would review the use of the existing purchase order system.

The Audit Committee:

- Considered and commented on the contents of the internal audit report on the Procurement of Goods and Services attached at appendix A; and
- Noted that there were no significant control weaknesses identified in the reviews completed during the period.

## **7. Risk Management: Services Risk Register**

The Audit Committee received a report that presented the current Services Directorate Risk Register for consideration by members.

Christiane Jenkins, Director of Corporate Governance, London Councils, introduced the Services risk register report. She said that the register had been updated to include the retirement of Nick Lester-Davis. His roles had now been taken up by Spencer Palmer (Director of Transport and Mobility Services, London Councils) and Yolande Burgess (Strategy Director, London Councils), and both were present to take any questions from members.

The Chair asked why risk number A5 was so high (breaches in data protection and security). Spencer Palmer said that data risk was still a high priority, especially in Services and Grants, and needed to be focussed on. Agreements were in place with regards to data sharing, but it continued to be a high risk nevertheless. The Chair also noted another high risk area due to Brexit (A12). Spencer Palmer said that risk number A12 and B7 (LEPT currency variation) both related to Brexit. He said that bidding for EU funding was still taking place and there could still be a role for LEPT post Brexit.

Councillor Colley said that the risk to "succession planning" (risk number A11) was also high. Spencer Palmer said that London Councils was reliant on highly skilled staff, and handover arrangements were needed when staff left. John O'Brien, Chief Executive, London Councils, said that this was especially relevant to the Policy side of London Councils. He said that many policy staff stayed for approximately three years, before moving on. Councillor Colley asked whether London Councils gave sufficient notice periods and recruitment timeframes. John O'Brien confirmed that it did. Spencer Palmer said that London Councils also invested a great deal in internal staff development. Roger Chadwick asked whether the staff age profile was different at London Councils. Christiane Jenkins said that the age profile was no different to any other similar organisations.

The Chair queried the high risk associated to the Northgate contract (C7, page 49 in the risk register). Spencer Palmer said that Northgate had taken over the contract on operating London Tribunals from Capita. The risk was high as London Tribunals relied on the systems that Northgate operated. However, most of the risks had now been overcome and the risk level would be

downgraded by the next review. Councillor Wales asked if there were any concern that Northgate would not be able to deliver what was expected. Spencer Palmer said that he was satisfied that Northgate was now meeting all of its performance indicators. He said that there had been some new external factors of change to the new contract, some of which were at the request of the adjudicators. Some areas had added to the complexities of the contract, but performance targets were now being met across the board.

Councillor Wales said that the audit and controls to the Grants programme had quite a high risk (risk number D4, page 51). Yolande Burgess said that this related to the ESF programme and detailed checks of provider claims were being carried out, prior to payments being made. The claim process was being looked at over the next six weeks to ensure it was fit for purpose.

The Audit Committee noted the current Services Directorate Risk Register and the changes to reporting contained in the cover report.

## **8. Treasury Management Update**

The Audit Committee received a report that provided members with an update on London Councils' treasury management strategy. London Councils' cash balances were held by the City of London under the service level agreement for the provision of financial support services. The investment of London Councils' cash balances were covered by the City of London's treasury management strategy as they were aggregated with the City of London's funds for investment.

David Sanni introduced the Treasury Management update. He said that it had been agreed at the Audit Committee in September 2009 that the Committee would receive annual reports on the City of London's treasury management activities. David Sanni informed members that London Councils' cash balances were pooled along with the City of London's funds for investment purposes, and funds were protected against potential future capital losses. The annual return rate for the current year was 0.5%. The Chair thanked the City of London for its continued support to London Councils.

Councillor Colley asked whether London Councils had any debt. Frank Smith confirmed that London Councils had no debt but had commitments in respect of the rental costs for 59½ Southwark Street and London Tribunals premises at Chancery Exchange. Councillor Wales asked why parts of the report were highlighted in yellow. David Sanni said that the highlighted represented changes that had been made.

The Audit Committee noted the City of London's Treasury Management Strategy Statement and Annual Investment Strategy for 2017/18, which could be found at Appendix A of the report.

**The meeting finished at 11:03am**

## **Action Points**

	Action	Progress
<b>Item 6. Internal Audit Reviews</b>	<i>Frank Smith to review the use of the Existing purchase order system</i>	To be completed before the end of the 2017/18 financial year

# Leaders' Committee

## Report from the Transport & Environment Committee – 23 March 2017

Item no:

**Report by:** Alan Edwards      **Job title:** Governance Manager  
**Date:** 11 July 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 23 March 2017

**Recommendations:** For information.

**1. Attendance:** Cllr Lynda Rice (LB Barking & Dagenham), Cllr Dean Cohen (LB Barnet), Cllr Colin Tandy (LB Bexley - Deputy), Cllr Phil Jones (LB Camden), 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 Graham Henson (LB Harrow), Cllr Jason Frost (LB Havering), 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 John Howard (LB Redbridge), 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), and Alex Williams (Transport for London).

**2. Apologies for Absence:** Cllr Alex Sawyer (LB Bexley), Cllr Colin Smith (LB Bromley), Cllr Martin Whelton (LB Merton), Cllr Ian Corbett (LB Newham), and Cllr Danny Chalkley (City of Westminster).

The Chair said that TEC would hold a minutes silence for the victims of the terrorist incident on Wednesday 22 March 2017. There would also be a candlelight vigil taking place at Westminster this evening.

### **3. Presentation by Will Norman, Walking & Cycling Commissioner, GLA**

Will Norman, Walking and Cycling Commissioner, GLA, introduced himself and informed members that he had already met with some local authorities and cycling groups. Some of the following comments were made:

- A new approach to health was needed in London. Only 34% of people were physically active, and lack of exercise was having an adverse effect on health.
- The NHS would save a considerable amount of money if people walked or cycled at least 20 minutes every day. There was also a 20% reduction in mortality rates for people that were physically active and there was a need to increase activity.
- The Mayor was now putting out a "Healthy Streets" agenda which would look at how to increase levels of walking and cycling, along with the take-up of public transport.
- People to be put at the heart of the transport system.

- The GLA and TfL were looking at how to integrate walking and cycling into the public transport network. Need to build in the infrastructure and look at London's future planning and growth.
- Need to meet and work in partnership with local authorities in order to promote walking and cycling. Mayor has protected the borough LIPs programme for 2017/18.
- Mayor's Transport Strategy (MTS) would be published in May 2017, along with draft LIPs guidance.

A Q and A session took place where members asked questions regarding the ULEZ, Healthy Streets and Southern Rail were discussed.

#### **4. Chair's Report**

The Committee considered a report that updated members on transport and environment policy since the last TEC meeting on 8 December 2016, and provided a forward look until the next meeting on 15 June 2017. The Committee noted the Chair's report and the offer of a presentation from TfL, at a future TEC meeting, on the Mayor's Transport Strategy.

#### **5. Flood Partnerships Update**

The Committee received a report that informed TEC of the annual update on the work of the seven London sub-regional flood partnerships, the Thames Regional Flood and Coastal Committee (RFCC) and the Environment Agency. This was part of the Thames RFCC Joint Working Arrangements. The Committee noted and commented on the report.

#### **6. Fixed Penalty Levels for GLC Parks Byelaws**

This report was deferred.

#### **7. Go Ultra Low City Scheme (GULCS) – Phase 1 for Delivering Residential and Car Club Electric Charge Points**

The Committee considered a report that updated members on the work that had been undertaken by officers in investigating the legal, constitutional and financial implications arising from the ambition for London Councils' TEC to take the strategic oversight and operational management roles for a London-wide delivery "partnership", for electric charge points.

The Committee: **(i)** noted and commented on the report, and **(ii)** noted and commented on the detail for Phase 1, as outlined in Appendix 1 of the report.

#### **8. London Borough of Sutton Approval to Commence CCTV Bus Lane Enforcement**

The Committee received a report that sought approval for the London Borough of Sutton to commence enforcement of bus lane contraventions using CCTV. The Committee agreed that permission be given to the London Borough of Sutton to enforce bus lane contraventions using CCTV.

#### **9. Taxicard Progress Report**

The Committee considered a paper that informed members of the projected Taxicard spend for 2016/17, and the estimated budget requirement for 2017/18. The report also provided an update on the re-letting of the Taxicard taxi supply contract. The Committee noted the projected Taxicard spend for 2016/17 and the estimated budget for 2017/18.

#### **10. Freedom Pass Progress Report**

The Committee received a report that provided members with information on two recent developments on the Freedom Pass scheme, namely customer service improvements to the Freedom Pass scheme and discussions with the Rail Delivery Group (formerly ATOC), regarding financial adjustments to account for rail service disruption. The Committee noted the report

#### **11. Item Considered under the Urgency Procedure**

The Committee received a report that was sent to TEC Elected Officers, under the Urgency Procedure. The report was sent to TEC Elected Officers in order for an adjudicator to be re-appointed in time, as the original re-appointed was omitted from the report that went to the full TEC meeting in December 2016.

**ion:** The Committee noted that attached Urgency Procedure that was sent to TEC Elected Officers on 17 January 2017 to re-appoint an Environment and Traffic Adjudicator for a period of five years.

**12. TEC Committee Dates 2017/18**

The Committee considered a report that notified members of the proposed TEC and TEC Executive Sub Committee dates for 2017/18.

The Committee: **(i)** agreed to change the TEC Main meeting date in March 2018, from 15 March to 22 March 2018; and **(ii)** noted and agreed the dates for TEC and TEC Executive Sub Committee meetings for 2017/18, subject to final confirmation at the Annual General Meeting in June 2017.

**13. Minutes of the TEC Executive Sub Committee held on 9 February 2017**

The minutes of the TEC Executive Sub Committee held on 9 February 2017 were noted.

**14. Minutes of the TEC Main Meeting held on 8 December 2016**

Subject to some minor amendments, the minutes of the TEC Main meeting held on 8 December 2016 were agreed as an accurate record.

**The meeting finished at 16:30pm**



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

### **12 April 2017**

Minutes of a meeting of the Pensions CIV Sectoral Joint Committee held on Wednesday 12 April 2017 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	-
Bexley	Cllr Louie French
Brent	Cllr Sharfique Choudhary
Bromley	Cllr Keith Onslow (Deputy)
Camden	Cllr James Yarde (Deputy)
Croydon	Cllr John Wentworth (Deputy)
Ealing	-
Enfield	Cllr Derek Levy (Deputy)
Greenwich	-
Hackney	Cllr Robert Chapman
Hammersmith and Fulham	-
Haringey	Cllr John Bevan (Deputy)
Havering	-
Harrow	Cllr Nitin Parekh
Hillingdon	Cllr Philip Corthorne
Hounslow	-
Islington	Cllr Richard Greening
Kensington and Chelsea	-
Kingston Upon Thames	Cllr Eric Humphrey
Lambeth	Cllr Iain Simpson
Lewisham	Cllr Mark Ingleby
Merton	-
Newham	Cllr Forhad Hussain
Redbridge	Cllr Elaine Norman
Richmond Upon Thames	-
Southwark	-
Sutton	Cllr Sunita Gordan
Tower Hamlets	Cllr Clare Harrisson
Waltham Forest	Cllr Simon Miller
Wandsworth	Cllr Maurice Heaster
City of Westminster	-

#### **Apologies:**

Barnet	Cllr Mark Shooter
Bromley	Cllr Teresa Te
Camden	Cllr Rishi Madlani
Croydon	Cllr Simon Hall
Ealing	Cllr Yvonne Johnson
Enfield	Cllr Toby Simon
Haringey	Cllr Clare Bull
Havering	Cllr John Crowder
Hounslow	Cllr Mukesh Maholtra
Kensington & Chelsea	Cllr Quentin Marshall
Merton	Cllr Imran Uddin

Officers of London Councils were in attendance as were Hugh Grover (CEO, London CIV), Brian Lee (COO, London CIV), and Jill Davys (AD Client Management, London CIV).

**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.

**3. Minutes of the PSJC meeting held on 8 February 2017**

- 3.1. Councillor Heaster asked if an update could be given by the Board on the recruitment of staff (page 2, Paragraphs 4.2 to 4.4 in the minutes). He said that there were concerns that elements of work were falling behind (more AUMs were needed). The CEO confirmed that 6 roles were in the process of being recruited and a recruitment consultant was carrying out interviews. The roles should be in post by the end of the current quarter. Maurice Heaster asked if the recruitment process could be undertaken in good time. The CEO confirmed that this was being carried out now.
- 3.2. Councillor Simpson asked when a detailed definition of “infrastructure” and a timetable would be made available to members. The CEO said that Julian Pendock (Chief Investment Officer, London CIV) was unable to attend the meeting, but a note on infrastructure would be sent to members shortly. Members and officers would attend the infrastructure seminar.
- 3.3. The minutes of the PSJC meeting held on 8 February 2017 were agreed.

**4. National Pooling Update, the Scheme Advisory Board (SAB) and MiFID II (Jeff Houston, LGA Head of Pensions and SAB Secretary)**

- 4.1. Jeff Houston (LGA Head of Pensions and SAB) introduced the report. The following comments were made and questions asked:

(i) Asset Pooling

There were 8 pools and the London CIV was first in the pools. Transition of assets was due to take place from April 2018 onwards. Estimated savings of £200m per annum. Concerns were voiced over timescales and infrastructure. This administration appeared more focussed on housing. The Chair said that there were problems with housing supply. Jeff Houston said that it was down to the pools to decide on infrastructure.

(ii) Investment Fee Transparency

There was a voluntary code of transparency for asset managers being launched by the SAB, including a standard template, which would be provided to their clients. The SAB would check the numbers. The fee transparency

would include marketing, advertising costs etc. The template could be found on the Board website. Councillor Chapman asked whether the Code was fully voluntary. Jeff Houston said that those who signed up to the Code would be placed on the website and could use the new Kite-mark Standard for Asset Management Services. The LGPS currently held 60% of assets and all of these had signed up to the Code.

### (iii) MiFID II

Local authorities would be reclassified from professional to retail investors from 1<sup>st</sup> January 2018. This would significantly reduce the firms, asset classes and vehicles available to local authorities. Asset managers have informed the FCA that the opt up process would not work. The local authorities would be the clients of the CIV and the CIV the clients of investment vehicles.

John Houston said that the CIV would have to opt up each local authority. The opt up test assumed that the individual was the client. However, it was not an individual, it was a collective. On the 11 May 2017, the FCA Board would meet to make a final decision in the handbook and we were led to believe that the FCA would agree our stance on this matter. It was planned to add a fourth criteria referencing the authorities status as a public service pension scheme manager – this would follow on from the quantitative test that states that clients should have performed a significant number of transactions, or have worked for 12 months in the sector. Councillor Heaster said that this was very good news.

John Houston said that the FCA had never had so many responses to an item in the handbook, and this was down to asset managers. He said that local authorities would have access to regulate their funds. John Houston said that local authorities, as retail investors for unregulated funds, would be able to access complicated items, but not simpler areas. Legal advice would be sought on being able to use regulated funds without having to opt up.

Councillor Greening said that changes to FCA regulations were needed, especially with regards to exiting from private equities. The Chair said that he had raised the various issues with Andrew Bailey, who said that the main problem lay with MiFID II (EU directives) and not the FCA. The FCA were willing to do something about these issues, however, a great deal of time was currently being taken up by Brexit matters. John Houston said that meetings were being set-up to agree a template of information from June 2017 to January 2018.

Councillor John Bevan asked for an update on the issue of academies. John Houston said that ministers would be looking at dealing with the guidance, regulations in the LGPS and options outside of the scheme. The preferred option would be regulations in the scheme. It was essential that liabilities of academies did not fall back on local authorities. The Chair thanked John Houston for coming to discuss these issues with Committee.

#### 4.2. The Committee noted the report.

## **5. Fund Development Update**

5.1. Brian Lee (Chief Operating Officer, London CIV), introduced the report and made the following comments:

- The timeline for fund launches could be found on pages 17 and 18 of the report.
- The various phases to open funds were explained on page 17 of the report, starting from: a “borough needs assessment”, procurement, product development, legal/fund documents, FCA approval and finally the fund launch itself.
- The “fund launch pipeline status” (ie where we were now) could be found in the table on page 18 of the report. This included a “RAG” status to ascertain whether the fund launches were on target.
- “Longview Globe Equity” was being pushed down slightly because “Henderson EM” was being brought forward. The FCA wait four weeks to approve the prospectus, therefore Henderson was being brought forward to coincide with Longview.
- The other funds “EPOCH” and “RBC Sustainable” would be launched in September 2017, and were all on target. “Global Equities: Phase 2+” would be launched in December 2017 and “Fixed Income+” in March 2018. All of these were referenced back in the business plan.

5.2. Councillor Heaster said that the remaining funds were relatively small in comparison to the first two funds. He said that the first three funds on the table all appeared to have slipped timewise and he presumed that this was owing to resource implications. Councillor Heaster asked whether this would have any implications for other schemes in the future. Brian Lee said that he was confident that the targets in the table would be met, and therefore this would not impact on the fund launch timescales.

5.3. Councillor Corthorne asked whether there should be concern at the speed of fixed income products coming onto the platform. He also mentioned risk return targets when considering low carbon approaches in investments.

5.4. The CEO said new funds were now being opened up, like global equities. He said that approximately £5.5b should be in the CIV by the end of July 2017 (approximately 18% of the total £30b overall). Councillor Simpson said that it would be beneficial to have a road map and to achieve a level of £15b as soon as possible. The CEO confirmed that a road map was set out in the Business Plan. He said that there would be changes – demand seemed to be growing for fixed incomes and these could be brought forward in the plan.

5.5. The CEO said that the Henderson fund was being launched earlier, which was very positive. The pipeline would “speed-up” and more resources would be coming on board shortly.

5.6. Jill Davies (Chair of Investment Advisory Committee) said that the London CIV would be looking at options for low carbon funds, although it was for local authorities to make decisions on how they allocated their assets.

- 5.7. The CEO said that Julian Pendock was looking into fixed income projects. He said that fixed incomes were dependent on what route was taken – either ownership of a fixed income package or buying the product from a fund manager (the latter appeared to be the best option, although the economies received might not be as good as hoped for).
- 5.8. The Committee noted the report.

## **6. Investment Advisory Committee Update**

- 6.1. The CEO said that Ian Williams (Chair of Investment Advisory Committee, London CIV) was unable to attend the meeting. Councillor Heaster asked if a deputy would be able to attend in the future, if a Board member was unable to make the meeting. The CEO said that he would pass this request back to the Board
- 6.2. The Committee noted the report.

## **7. Finance Report and Benefits**

- 7.1. Brian Lee (Chief Operating Officer, London CIV) introduced the report, which updated the forecast of the London CIV to March 2017. Assets look set to reach £5.1billion by March 2018 and were on target.
- 7.2. Councillor Heaster said that “Longview” was due to launch in Q2 of 2017, and not Q1 as stated in the report (paragraph 5).
- 7.3. Councillor Greening said that it would be helpful if the report stated what funds each borough was investing in. Councillor Heaster said that the boroughs were investing varying sums of money. The CEO said that this information could also be published.
- 7.4. The Committee:
- noted the updated forecast of LCIV to March 2017;
  - noted the reporting and audit timetable of LCIV for the financial year ending 31<sup>st</sup> March 2017;
  - noted the audited financial statements for the LCIV LGPS Authorised Contractual Scheme; and
  - agreed to publish what funds the boroughs were investing in and the amount they were investing.

## **8. Governance Review Update (verbal update)**

- 8.1. The CEO gave a verbal update on LCIV Governance review. He said that a full specification was ready to go to market. There were three variables, namely cost, scope and timetable.
- 8.2. The steering group would comprise of Lord Kerslake, and NED, Mark Boleat, the two Group chairs (Councillors Heaster and Johnson), Ian Williams and Gerald Armorah (?)

- 8.3. Councillor Simpson said that buy-in from stakeholders was needed, along with some union representation. The CEO said that there were already 56 committee meetings to support and another one would not be beneficial.
- 8.4. The Committee noted the verbal update and the need to get on with the Governance review.

## **9. Business Plan and MTFS Implementation and Progress Reporting**

- 9.1. The CEO introduced the report that set out the Annual Budget and the MTFS framework going forward. The first quarter figures would be going to the CIV Sectoral AGM in June 2017.
- 9.2. The Committee noted the report.

## **10. Shareholder and Investor Reporting Framework and Progress Reporting to DCLG**

- 10.1. Jill Davies (Assistant Director, London CIV) introduced the report, which set out the reporting framework and timetable for London CIV reporting to key stakeholders. Work was also taking place with the Investment Advisory Committee (IAC) transparency working group.
- 10.2. Jill Davies said that the report also covered the reporting on progress on investment pooling that was required by DCLG. The latest letter from the DCLG could be found at Annex C of the report.
- 10.3. Councillor French voiced concern that there could be duplication with regards to manager selection and client pools (last paragraph, Annex C). Jill Davies informed members that the CIV was working on a shared template, which would be agreed over the next couple of months.
- 10.4. The CEO confirmed that the London CIV would be making the selection of managers. Boroughs would be choosing managers from a range that the CIV had selected. The CEO also said that issues regarding investment in infrastructure had been put to ministers and Government, although not a great deal more pressure could be exerted in this area.
- 10.5. The Committee:
  - noted the requirement to report to DCLG on investment pooling progress; and
  - noted the reporting framework for shareholders and investors.

## **11. Quarterly Client Engagement and Stakeholder Report**

- 11.1. Jill Davies introduced the client engagement and stakeholder report. She said that the report was for information and liaison had been taking place with the boroughs. The report listed feedback from the LCIV Annual Conference and the various seminars and events that were convening. There was also an invite to Global Equities day on 11 May 2017.
- 11.2. The Committee noted the report and agreed that members should have various dates of events and seminars in their diaries in good time.

*Members of the public were asked to leave the room in order for the exempt part of the agenda to be discussed.*

**The meeting closed at 11:55am**

# Leaders' Committee

## Report from the Transport & Environment Committee – 15 June 2017

Item no:

**Report by:** Alan Edwards      **Job title:** Governance Manager  
**Date:** 11 July 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 15 June 2017

**Recommendations:** For information.

**1. Attendance:** Cllr Lynda Rice (LB Barking & Dagenham), Cllr Dean Cohen (LB Barnet), Cllr Colin Smith (LB Bromley), Cllr Stuart King (LB Croydon), Cllr Julian Bell (LB Ealing, Chair), Cllr Daniel Anderson (LB Enfield), Cllr Feryal Demirci (LB Hackney), Cllr Wesley Harcourt, Cllr Claudia Webbe (LB Islington), Cllr Tim Coleridge (RB Kensington & Chelsea), Cllr Phil Doyle (RB Kingston-upon-Thames), Cllr Martin Whelton (LB Merton), Cllr Pat Murphy (LB Newham), Cllr Peter Buckwell (LB Richmond-upon-Thames), Cllr Jill Whitehead (LB Sutton), Cllr Clyde Loakes (LB Tower Hamlets), Cllr Caroline Usher (LB Wandsworth), Cllr David Harvey (City of Westminster – Deputy), and Colin Mann (Transport for London - Deputy).

**2. Apologies for Absence:** Cllr Alex Sawyer (LB Bexley), Cllr Phil Jones (LB Camden), Cllr Jason Frost (LB Havering), Cllr Keith Burrows (LB Hillingdon), Cllr Amrit Mann (LB Hounslow), Cllr Sizwe James (RB Greenwich), Cllr Ian Wingfield (LB Southwark), Cllr Christopher Hayward (City of London), Cllr Amina Ali (LB Tower Hamlets), Cllr Danny Chalkley (City of Westminster), and Alex Williams (Transport for London)

**3. Election of Chair**

Councillor Julian Bell (LB Ealing) was elected as Chair of TEC for 2017/18)

**4. Election of Vice Chairs**

Councillor Feryal Demirci (LB Hackney) was elected to be the Labour Vice Chair of TEC, Councillor Tim Coleridge (RB Kensington & Chelsea) was elected to be the Conservative Vice Chair of TEC, and Councillor Jill Whitehead (LB Sutton) was elected to be the Liberal Democrat Vice Chair for TEC for 2017/18.

**5. Membership of London Councils' Transport & Environment Committee**

The Committee received and noted the revised report on the TEC membership for 2017/18.

**6. Appointment to the TEC Executive Sub Committee for 2017/18**



The Committee elected the following members to the TEC Executive Sub Committee for 2017/18:

Labour

Cllr Julian Bell (LB Ealing – Chair)  
Cllr Stuart King (LB Croydon)  
Cllr Feryal Demirci (LB Hackney)  
Cllr Daniel Anderson (LB Enfield)  
Cllr Clyde Loakes (LB Waltham Forest)  
Cllr Claudia Webbe (LB Islington)

Conservative

Cllr Tim Coleridge (RB Kensington & Chelsea)  
Cllr Phil Doyle (RB Kingston-upon-Thames)  
Cllr Peter Buckwell (LB Richmond)  
Cllr Caroline Usher (LB Wandsworth)

Liberal Democrat

Cllr Jill Whitehead (LB Sutton)

City of London

Christopher Hayward

**7. Nominations to TEC Outside Bodies & Appointment of Committee Advisers for 2017/18**

The Committee received a report that sought nominations to the various outside bodies that related to the work of TEC for 2017/18.

The Committee nominated the following members to the outside bodies below:

Heathrow Airport Consultative Committee (HACC)

Cllr Martin Whelton (LB Merton)  
Deputy – Cllr Tim Coleridge (RB Kensington & Chelsea)

Thames Regional Flood & Coastal Committee (Thames 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)  
*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 (LSDC)

Cllr Claudia Webbe (LB Islington)

Urban Design London (UDL)

Cllr Daniel Moylan (RB Kensington & Chelsea)  
Cllr Nigel Haselden (LB Lambeth)

Thames River Basin District Liaison Panel (Thames LP)

Cllr Sizwe James (RB Greenwich)

London City Airport Consultative Committee (LCACC)

Cllr John Howard (LB Redbridge)

London Waste & Recycling Board (LWARB)

No new nominations are required until 11 August 2020

London Cycling Campaign (LCC)

Cllr Feryal Demirci (LB Hackney)

The Committee: **(i)** agreed to pass on the above names to the Chief Executive of London Councils, for appointment to outside bodies, once they were all confirmed, **(ii)** agreed that Alan Edwards would write

to the outside bodies to inform them of the TEC nominations, and **(iii)** agreed that a short report would be presented to the next TEC Executive Sub Committee, outlining the process for nominating TEC Committee advisers. The current Committee advisers would continue on an interim basis.

#### **8. TEC AGM Minutes of 16 June 2016**

The TEC AGM minutes from 16 June 2016 were noted.

#### **9. Constitutional Issues**

The Committee considered a paper that informed members of proposed minor variation to the London Councils' Transport and Environment Committee (LCTEC) Governing Agreement. The proposed changes did not alter any of the functions of LCTEC or the responsibilities delegated to it.

The Committee: **(i)** approved the proposed minor variation to the LCTEC Governing Agreement set out in Appendix 1, and **(ii)** noted that the variation to the LCTEC Governing Agreement, if approved by LCTEC, should come into effect following 28 days written notice of the variation to each Participating Council and Transport for London, if no objection is received from any Participating Council and/or Transport for London during the notice period.

#### **10. Chair's Report**

The Committee received a report that updated members on transport and environment policy since the last meeting on 23 March 2017 and provided a forward look until the next TEC meeting on 12 October 2017. The Committee noted the report

#### **11. TEC Priorities for 2017/18**

The Committee received a report that provided members with a look back at what had been achieved in 2016/17 and a look forward to the priorities for 2017/18.

The Committee: **(i)** discussed the report and agreed the priorities for the year 2017/18, **(ii)** agreed that air quality, the implications of Brexit and the environment, enforcement and Crossrail 2 would be placed at the top of the TEC priorities.

#### **12. Go Ultra Low City Scheme (GULCS) – Phase 1 Delivery for Residential & Car Club Electric Charge Points Update**

The Committee considered a report that updated members on delivery of Phase 1 for the residential and car club element of the GULCS, the borough consultation that has been taking place during March and April 2017 and the proposed future work. The report asks TEC to agree to start the process of amending the TEC agreement to delegate the boroughs' functions relating to Electric Vehicle Charging Apparatus to London Councils' TEC.

The Committee agreed to consult on and seek written agreement from all local authorities to amend the London Councils' TEC (LCTEC) agreement as outlined in paragraph 28 of the report.

#### **13. Draft Consultation Response to Mayor's ULEZ and Defra's Draft Air Quality Plan**

The Committee received a report regarding the Mayor of London's consultation on introducing the central London Ultra Low Emission Zone (ULEZ) in April 2019, as opposed to September 2020, and to include Particulate Matter (PM) in its emissions standards. Defra was now consulting on its recently published draft air quality plan and London Councils was now planning on responding to both these consultations.

The Committee: **(i)** discussed and agreed the proposed London Councils' response to the third phase of the Mayor's air quality consultation at Appendix A, and **(ii)** discussed and agreed the proposed London Councils' response to Defra's draft air quality plan at Appendix B.

#### **14. Fixed Penalty Levels for GLC Parks Byelaws**

The Committee considered a report regarding LB Wandsworth's request to London Councils that TEC set Fixed Penalty Notice (FPN) levels for GLC byelaws relating to parks, so that local authorities could issue FPNs rather than prosecute offenders.

The Committee: **(i)** agreed that London Councils would consult on the levels of fixed penalty for breaching the GLC Parks, Gardens and Open Spaces byelaws, as set out at Appendix A, and **(ii)** agreed

that London Councils would consult on a fixed penalty level of £80, payable within 28 days and an early payment reduction to £50, if paid within 14 days.

#### **15. Draft Response to Defra Consultation on Littering Penalties**

The Committee received a report that set out the actions with relevance to local authorities from the Litter Strategy that Defra published in April 2017. One of these actions was for the Government to consult on increasing litter penalties.

The Committee: **(i)** reviewed and agreed the draft responses at Appendix A of the report, and **(ii)** provided a steer that Option 3 (*"increase the minimum, default and maximum fixed penalty to £65, £100 and £150 respectively"*) would be the level of penalties that London Councils supported in its response (question 3, page 4 of the report).

#### **16. London Lorry Control Scheme Review – Update and Initial Recommendations**

The Committee received a report that provided members with an update on the progress on the London Lorry Control Scheme review to date, and the short, medium and long-term recommendations for the future.

The Committee: **(i)** approved the recommendations put forward in the report, and **(ii)** agreed that officers would publish a detailed report on the review findings and recommendations.

#### **17. Taxicard Procurement**

The Committee received a report that summarised the results of the Taxicard consultation and explained how the findings had been used to inform London Councils' recommended approach to re-procuring the Taxicard supply contract in partnership with Transport for London (TfL).

The Committee: **(i)** noted the outcome of the Taxicard consultation, **(ii)** agreed the proposed changes to the service, and **(iii)** agreed the proposed approach to procurement, ie working through, and with TfL, to set up a framework using the competitive procedure with negotiation, subject to London Councils and TfL concluding a service level agreement.

#### **18. Freedom Pass Progress Report**

The Committee considered a report that provided members with an update on the provision of the Freedom Pass service, including proposals for: (1) a mid-term review of continued eligibility for Freedom Passes that expired on 31 March 2020, (2) the renewal of Freedom Passes that expired on 31 March 2018, and (3) reducing contact centre costs over the life of the new contract with ESP Systex (October 2017 to September 2022)

The Committee: **(i)** agreed to a mid-term review of eligibility of Freedom Passes that expired on 31 March 2020, **(ii)** noted the plan to renew Freedom Passes that expired on 31 March 2018, and **(iii)** agreed to officers exploring customer contact centre "Option 3" in the context of the new Freedom Pass managed services contract.

#### **19. Item Considered under the Urgency Procedure**

The Committee received a report that informed members of an item that was sent to TEC Elected Officers under the Urgency Procedure, namely "Environment and Traffic Adjudicators Recruitment". Responses were required from Elected Officers by 3 April 2017 to ensure that the 11 adjudicators were appointed in time.

The Committee noted the Urgency Procedure that was sent to TEC Elected Officers on 27 March 2017 on "Environment and Traffic Adjudicator Recruitment".

#### **20. TEC Committee Dates 2017/18**

The Committee noted and agreed the TEC and TEC Executive Sub Committee meeting dates for 2017/18.

#### **21. Minutes of the TEC Main Meeting held on 23 March 2017 (for agreeing)**

The minutes of the TEC Main meeting held on 23 March 2017 were agreed as an accurate record.

**The meeting finished at 15:50pm**

**Minutes of the Meeting of the Executive  
Tuesday 20 June 2017 10:40am**

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

**Present**

<b>Member</b>	<b>Position</b>
Cllr Claire Kober OBE	Chair
Cllr Peter John OBE	Deputy chair
Cllr Teresa O'Neill OBE	Vice chair
Ms Catherine McGuinness	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	

London Councils officers were in attendance

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

There were no members absent

**2. Declaration of interest**

Cllr Teresa O'Neill OBE declared a personal non-pecuniary interest as a member of the HCA board.

**3. Minutes of the Executive Meeting held on 28 February 2017**

The minutes of the Executive meeting held on 28 February 2017 were agreed.

**4. Forthcoming meetings – verbal update**

The Chief Executive updated the Executive on forthcoming meetings:

- Thursday 29<sup>th</sup> June. Meeting of the Congress Executive, involving the Mayor of London, London Councils' Executive members and the chairs of sub-regional groupings. City Hall. The agenda would include:

- The relationship between London and other UK cities
- An update on devolution
- A joint presentation on Skills involving Cllr Peter John OBE
- An update of funding; police, schools etc.

In the evening there would be a dinner for Executive members, hosted by the City at the Guildhall, involving the Metropolitan Police Commissioner Cressida Dick.

- Tuesday 11<sup>th</sup> July. London Councils Leaders' Committee AGM and business meeting taking account of the Queen's Speech

## **5. Nominations to Outside Bodies**

The Executive agreed to note the report.

## **6. London Councils Corporate Business Plan 2017/18**

The Executive agreed to note the report.

## **7. Urgency report**

The Executive agreed to note the report.

## **8. Consolidated Pre-Audit outturn 2016/17**

The Director of Corporate Resources introduced the report saying that these outturn figures would be submitted to the auditors. There was an overall surplus of £3m, somewhat higher than anticipated due to receipts in the TEC accounts exceeding expectations in relation to income from the Lorry Control scheme and Freedom Pass for replacing lost cards.

Cllr Ray Puddifoot MBE complemented the author on a comprehensive report but raised his concern over the level of reserves considering the level of pensions' deficit which had risen from £10m to £17m. He would have liked to have seen a higher level of reserves. The Director of Corporate Resources replied that the current level of reserves was comparable to previous years but agreed that the issue should continue to be considered in determining future financial strategy.

The meeting ended at 11:00am