

# Executive

12 September 2017: 9:30 am

London Councils offices are wheelchair accessible

**Location:** Room 5

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## **\* Declarations of Interests**

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

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

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

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

**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





# Devolution and Public Service Reform

## Introduction

1. London Borough Leaders have driven a programme of work in pursuit of devolution and reform of public services in London, working closely in partnership with the Mayor of London and the GLA. This led to a programme of joint action that being taken forward following the Mayor's Devolution Summit in July 2016, followed by an agreement between Government, the Mayor of London and London Councils of a Memorandum of Understanding (MoU) for further devolution to London, announced as part of the Spring Budget in March 2017.
2. The MoU provides a platform for work by the Government, the GLA and London Councils to bring forward devolution of additional powers, freedoms and flexibilities for London government. The key themes for further devolution to London agreed in the MoU include the development and funding of infrastructure through a Development Rights Auction Model (DRAM), a commitment to explore business rates retention, investment to tackle urban traffic congestion, and a commitment to further health, criminal justice, skills and employment devolution. The Chair of London Councils and the Mayor will be meeting Ministers on this agenda during the course of the Autumn.
3. A Member Devolution Group comprising the Mayor of London and lead members of London Councils was established in September 2016, and met twice with the Mayor of London to help progress further devolution to London. This joint work is now being taken forward under the auspices of the Congress of Leaders and Congress Executive. The Congress Executive, which has been strengthened to ensure representation from London's sub-regional partnerships, met on 29 June 2017 to discuss skills devolution and London's relationship with the rest of UK, amongst other devolution and public service reform matters. The Congress of the Mayor of London and Leaders is next due to meet on 10 October 2017.
4. This paper provides an update on London government's continuing negotiations with Government in relation to the MoU and wider devolution issues, in particular the following areas:-
  - Business Rates retention
  - Devolution of the Adult Education Budget and progress towards wider skills devolution

- The Work and Health Programme
- The Industrial Strategy
- Health devolution
- Devolution of the Criminal Justice Service
- Housing Infrastructure

## Business Rates

5. At Leaders' Committee in July 2017, Leaders were provided with an update regarding the progress of the proposals to pilot 100% business rates retention via a voluntary London pool in 2018/19. It was noted that the Conservative election manifesto contained a commitment to giving local government greater control over the money it raises, including business rates, however the Queen's Speech on 21 June 2017 did not include a commitment to re-introduce the Local Government Finance Bill that would have paved the way for full retention of rates by 2020.
6. Officials have indicated that the issue of further piloting of business rate retention is being considered by Ministers. It is anticipated that some greater clarity is likely to emerge in early September. Should the Government ultimately agree to continue proposals to pilot 100% retention, London government needs to be in a position to indicate in-principle support for a pan-London pilot pool by the time of the Congress of the Mayor and Leaders meetings on 10 October 2017. A draft prospectus for a potential voluntary pool based on incentivising growth, facilitating collective investment, and recognising the needs and contributions of all boroughs has therefore been circulated to Leaders and the Mayor of London for consideration over the summer.
7. A 2018/9 pilot would require agreement with Government at or around the Autumn Budget in November 2017 in the event that London government agrees to pursue a pilot pool in London. A final detailed pooling agreement would then be negotiated with DCLG, with the likely deadline being at the time to Local Government Finance Report is published in February 2018. Given the tight timeframes, it is probable that further local decisions required from the 34 prospective pooling authorities relating to how the legal framework is to be implemented could follow in the intervening period. All these matters would need to be resolved in a timely manner prior to April 2018 to allow for implementation.
8. Leaders will continue to be notified of any potential change in approach as and when the Government's intentions become clearer. In the meantime, feedback regarding the

proposals contained within draft pilot pool prospectus that was circulated in July, including the thoughts of other boroughs where possible, will be sought at the Executive meeting.

## Skills Devolution

9. London government is continuing to make the case for skills devolution, based on the failure of the national system to be responsive to employer demand and its failure to provide inclusive opportunities for all learners and businesses in London. The process of leaving the EU will provide a series of challenges and opportunities that support the case for a more agile and responsive skills system in London.
10. As part of the Spring Budget MoU on further devolution to London, the Government reiterated its commitment to devolving the Adult Education Budget (AEB) to the Mayor of London by 2019/20, subject to a series of readiness conditions, and committed to continue working with the GLA and London Councils in order to better align skills provision and careers services with local needs and priorities.
11. Subsequent progress towards formally agreeing a devolution deal for skills between the Mayor and the government has been slow. It is expected that there will be further and more detailed engagement with government between September and December on the legislation to transfer the powers and in meeting the readiness conditions.
12. The timetable remains the same, with devolution of the AEB scheduled to start in 2019/20. Legislative orders are expected to be laid in parliament next year. Cllr Peter John (London Councils lead for Business, Brexit and Skills) and Jules Pipe (Deputy Mayor for Planning, Regeneration and Skills) jointly wrote to the Rt. Hon Anne Milton MP (Minister for Apprenticeship and Skills) on 5 July encouraging the government to prioritise skills devolution for London and to make progress urgently.
13. In July 2017, the London All Party Parliamentary Group for London launched its first report '[Bridging the Skills Gap](#)' that outlined the many skills challenges London faces and called on the government to move further and faster on skills devolution for the capital – so it can respond to these in an effective and timely way. The report has been circulated to all London MPs and relevant stakeholders.
14. The GLA is preparing a draft outline London Skills Strategy that it will consult on during autumn this year, including via sub-regional consultation events. Sub-regional

partnerships are also developing skills priorities for their areas and these will inform the development of the London Skills Strategy. The London Skills Strategy will form the basis for a commissioning strategy and an annual funding statement for the devolved AEB. It should be finalised in May 2018. London Councils, sub-regional partnerships and boroughs will also need to agree governance arrangements for a devolved skills system with the Mayor by the end of 2017.

15. In addition, following the review of Adult and Community Learning (ACL) in London last year, London Councils is working closely with sub-regional partnerships and boroughs to build on some of these recommendations to prepare for devolution. ACL funding has been merged into the AEB. There will be some pan-London work to develop proposals on the role and distinct focus of ACL activity versus wider AEB funding and to make recommendations about the future commissioning of ACL provision. In addition to this, sub-regional partnerships are looking at how boroughs can collaborate and improve the operations of ACL services locally. Some initial pan-London proposals will be explored with boroughs during September and October 2017, with the aim to agree final proposals among the boroughs by the end of the year.

## Work and Health Programme

16. The devolved Work and Health Programme (WHP) will provide employment support for Jobseekers Allowance (JSA) or Employment and Support claimants with long term health conditions and disabilities, as well as JSA claimants who have been unemployed for one year or more. London's sub-regions will receive devolved funding from the Department for Work and Pensions (DWP) worth up to £70m over five years. This is being match-funded by an additional £65m from the ESF, to support the 50-55,000 long term unemployed, disabled people and people with health conditions in London to seek employment.
17. The procurement of the Programme is currently on track, with all sub-regions having either completed or being in the process of completing the final dialogue phase at the time of writing. The successful bidders in each Contract Package Area will be announced in October/November 2017.
18. All sub-regions have applied and been approved for ESF monies and are co-financing organisations. London Councils is working with the sub-regions and other stakeholders including the DWP to establish an Evaluation Working Group, which will support the

development of a London specific evaluation of the WHP. The London WHP is due to go live in spring 2018.

## Industrial Strategy

19. London Councils and the GLA both responded to the Government's Industrial Strategy Green Paper, shortly before the General Election was announced. Both responses made the case for further and wider devolution and a place-based strategy that would benefit both the Capital and the UK as a whole.
  
20. Given the Government's commitment in the Queen's Speech to create a modern industrial strategy, there may be further opportunities for London Councils to work in partnership with the Mayor of London as the Strategy develops. The Mayor's Economic Development Strategy may provide an opportunity to make the case for inclusive growth in the Capital as well as the case for securing powers and responsibilities that London boroughs will need to achieve this growth. London Councils will work closely with the boroughs and sub-regional partnerships to engage with the development of the Mayor's Economic Development Strategy and subsequent London Plan.

## Health Devolution

21. Members will be aware that the London Partners have been working towards a health devolution MoU to facilitate next steps of the collaboration agreement made with Government in December 2015, which would be buttressed by individual agreements with the pilot areas involving a number of member councils. It is envisaged that the MoU will be an enabling document, allowing local areas to opt-in to detailed devolution proposals that build on learning from the London pilots on integration, prevention, and reinvestment of capital and estate receipts.
  
22. Leaders' Committee agreed a process for signing-off the MoU at its December 2016 meeting. Following discussions during early 2017 – involving London Councils' Chair, Health Board members and health portfolio-holder Cllr Kevin Davis – a number of proposed changes were put to London Partners, with a view to ensuring the MoU meets boroughs' needs and aspirations. Negotiations with Government on this issue and signing the MoU were subsequently delayed through the General Election period.
  
23. The Mayor of London and Chair of London Councils recently received a response to their joint letter to the Secretary of State for Health, which was sent following the General Election. The Secretary of State expressed disappointment that it had not been

possible to agree the MoU before the election and provided assurances that Department of Health officials will continue to work towards finalising the MoU with London Partners.

24. Over and above the formal Health MoU, there are a number of opportunities for boroughs to explore and develop better models of integration between health and social care. As previously discussed at Leaders' Committee, it will be important for a borough perspective to be included within discussions on the future shape of the local health economy – on behalf of residents. This work will have an important influence on boroughs ability to ensure that new any powers resulting from a MoU support change towards locally defined visions of future health and care provision.

## Criminal Justice Devolution

25. The March 2017 MoU on further devolution to London included a commitment to joint work to:

- Develop a shared view of the benefits and better outcomes in London that could be delivered by the devolution of criminal justice services; and
- Identify the criminal justice services that can best be delivered locally to complement, enhance and support national reform programmes, in line with national frameworks and standards.

26. London Councils is continuing to engage in discussions with MOPAC, MoJ, and other partners to explore the potential for a bespoke MoU on criminal justice devolution. It is envisaged that this MoU will set out a framework to improve services for youth, female and adult offenders, victims and witnesses, as well as taking positive steps to reduce reoffending in London (including exploring the greater use of electronic monitoring). Potential areas for devolution include increased responsibility for London over community rehabilitation contracts (probation), offender management, victims and witness services, as well as greater local flexibility to drive investment in prevention and rehabilitation services. A series of meetings with officials will take place during the Autumn, with the aim of agreeing a MoU by January 2018.

## Housing

27. The Housing Infrastructure Fund (HIF) is a government capital grant programme of up to £2.3 billion of the government's £23 billion National Productivity Investment Fund. The aim of the HIF is to deliver up to 100,000 new homes in the areas of greatest

housing demand in England. It enables local authorities, who know their communities and places within them best, to plan for local growth by increasing housing supply and recognising the importance of infrastructure in building communities where people want to live. However, there are some concerns around the very ambitious timescales set, particularly for the Forward Funding element.

28. Funding for housing investment will be awarded to individual local authorities in England based on a competitive bidding process. London boroughs are able to bid for up to £10 million per Marginal Viability Funding proposal, where the final or missing piece of infrastructure funding for additional housing on already existing or allocated sites is awarded. In addition, the GLA, as London's "uppermost tier of local authority", is able to bid for up to £250 million of Forward Funding per scheme for new strategic and high-impact infrastructure projects across London.
29. Once proposals for Marginal Viability Funding have been approved by DCLG (envisaged to be late 2017 / early 2018), it is expected that boroughs would begin building the necessary infrastructure immediately and for the homes to follow shortly afterwards. The infrastructure has to be delivered by 2021 at the latest but DCLG is looking for schemes that can start spending promptly with some money available for spend in 2017/18.
30. The HIF encourages groups of local authorities to submit joint bids for Marginal Viability Funding, which could enable additional housing to be unlocked at scale and on a sub-regional level across London. The application process will require boroughs to demonstrate how the HIF funding will create additional housing delivery on top of what was previously planned. London boroughs are encouraged to get letters of support from the GLA when submitting bids for Marginal Viability Funding.
31. London Councils is expecting a number of potential London bids for Marginal Viability Funding. The GLA, boroughs and London Councils are also working on a number of potential projects for the Forward Funding element, based on DCLG's assessment criteria of value for money, strategic need and deliverability.

## Conclusion

32. The MoU on further devolution to London announced in the Spring Budget 2017 was a significant development which continues to provide a promising platform for further joint work.

33. Following the General Election and in the run-up to the Autumn Budget 2017, it will be important for London government to maintain the momentum of the devolution negotiations with the aim of securing further progress in the areas highlighted in the MoU. London local government will also want to be prepared for new opportunities to secure devolution that may emerge in the period ahead, for example through the development of the Industrial Strategy and other areas of public service reform. This will require an agile approach at borough, sub-regional and pan-London levels. The Chair of London Councils and the Mayor will be meeting Ministers on this agenda during the course of the Autumn.

34. The discussion under this agenda item will provide Leaders' Committee with the opportunity to:

- Consider and comment on the progress made to date on in advancing London Government's joint work on devolution and public reform.
- Provide guidance on shaping the next stage of London's negotiations with Government.

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## **Background Papers**

### **Financial implications for London Councils**

None

### **Legal implications for London Councils**

None

### **Equalities implications for London Councils**

There are no direct equalities implications for London Councils as a result of this paper. However, core elements of the propositions are targeted at improving outcomes for groups of people with protected characteristics, notably improving employment outcomes for disabled people.

# London Councils Executive

## Transforming Health and Care in London      Item 6

**Report by:** Clive Grimshaw & Anastasia Lungu-Mulenga      **Job title:** Strategic Lead for Health and Adult Social Care & Policy and Projects Manager

**Date:** 12 September 2017

**Contact Officer:** Clive Grimshaw

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**Summary**      This report provides an update on some of the developments that have taken place in health and care over the past few months. In particular it provides an update on the system integration work that is currently being taken forward by London Councils, with health partners.

**Recommendations**      Following discussions at both the London Councils' Executive and Leaders' Committee earlier this year, this paper sets out the progress made on how to support health and care system integration across London and seeks Executive comment on the emerging thinking as the basis for bringing back firm proposals for decision.

Members are asked to:

- Provide feedback on the draft political vision/narrative for the transformation of health and care in London (**para.14-16 and table 1**)
- Comment and agree on the draft narrative framework set out at **table 2** as the foundation for the development of the full narrative/vision document, and comment on additional areas that should form part of a political narrative for the transformation of health and care in London.
- Provide political guidance on the proposal that London local government seek to influence the national development and delivery of Accountable Care Systems with the view to the delivery of national support which reinforces London's objectives (**paragraph 19**)
- Comment on the risk to 18-19 BCF allocations following a review due to be done in November.



# Transforming Health and Care in London

## Introduction

1. Following a discussion by London Councils' Executive and Leaders' Committee earlier this year, this paper sets out the progress made on how London health and care partners are working to support the delivery of health and care system integration across London.
2. The report also sets out the emerging NHS England thinking on integration, as set out in the NHS Five Year Forward View Delivery Plan in March 2017. Specifically, this paper summarises some of the key features of an Accountable Care System (ACS) and how this compares to the borough-led models in London, and suggests a proactive approach to ensuring the national programme helps to deliver the London approach to integration.
3. Finally, this paper updates members on some of the work being delivered to help local areas (i.e. boroughs and multi-boroughs groups) in their integration work. This paper also updates Executive on the Better Care Fund and developments in regulation of health and care systems.

## The purpose of this paper

4. Executive last provided direction on the development and delivery of health and care integration in February. A paper was considered by Leaders' Committee in March, and Health and Wellbeing Board Chairs' commented on proposals and progress at their meetings in March and June.
5. While we still await the publication of the devolution Memorandum of Understanding (MoU), the integration agenda has continued to evolve. This is true in the sense that London Councils officers have taken forward the recommendations of Executive and Leaders' Committee, and nationally the emergence of ACSs and developments in relation to Better Care Fund. It is clear, therefore, that in the absence of an agreement with national partners in respect of devolution, the agenda has moved forward and London will need to continue to press its case to ensure it remains influential in respect of the destination of reform in health, and indeed is able to assert more control over that destination.

6. Through a combination of work in the London system and developments nationally, momentum continues to build behind the push for closer and deeper integrated health and care systems. Earlier in the year, Leaders asserted a clear view that London local government should seize the agenda more firmly. This papers describes the emerging thinking which local authority members could come together around as a shared vision for the Capital. However, for the type of vision and narrative to have traction, political consensus will need to translate into traction on borough, sub-regional and regional activity.
7. This paper sets-up as a chance to comment on and provide political instruction on the emerging thinking. Based on discussion at this meeting, firm proposals will be brought back to Members later in the year.

### **Transformation through integration and reform update**

8. Since health integration was discussed at the March meeting of the London Councils' Leaders' Committee, London Councils and health partners have developed a work plan on how they can support the health and care system to integrate across London.
9. The work plan has been discussed across different parts of both the health and care system, including Health and Wellbeing Board Chairs. Delivery of the work plan is also being supported the CELC Health Lead and NHS England (London Region), which has enabled local government to leverage NHS resources to support Leaders' ' objectives for the transformation of the health and care system.
10. The work plan currently includes the following:
  - Analysis of different integrated commissioning delivery models and drawing out lessons for others enabling knowledge sharing across the capital.
  - Mapping of integrated ways of working taking place across different footprints and develop a tool kit offering different options.
  - Working with NHSI, CQC to develop an integrated approach to regulation
11. In delivering this work plan, discussions are being held at several different levels with different parts of the system and a support offer is being considered which will best help London region and individual areas as they begin to transform the way they deliver health and care. Health and local government officers have

identified the following areas as a menu of priorities for support. Members, however, may wish to suggest areas of greater importance for London Councils:

- Regulation
- Workforce support
- Risk sharing
- System leadership
- Capacity
- Governance
- Contracting

12. The support offer has not been developed yet, but London health and care partners are exploring how best to support areas and will be working closely with local areas to develop the support offer which could potentially include providing an expert to provide extra capacity to areas on identified topics including better connectivity between local areas and national leads and ensuring that knowledge analysis and experience are more accessible to the wider system.

13. However, a significant amount desk-based research has been conducted to pull together evidence and examples from across London and outside of London of different approaches to integration. This research has allowed officer to draw-together the experience of different models of integration and to begin draw-out the opportunities for boroughs, in terms of single and multi-borough approaches. The research has drawn learning from initiatives including the Better Care Fund, New Models of Care, Vanguards, devolution pilots, borough health and care integration, clinical and cohort pathways, Accountable Care Organisations, ACSs and partnerships at the STP level. The research has formed the basis for the drafts set out in tables 1 and 2.

### **The developing political vision/narrative**

14. A key element of the work plan is the development of a case for change and political vision/narrative which can provide members with a narrative for use locally. Officers have worked to progress the Leaders' objectives from discussions earlier in the year, although National Health Service priorities and agenda will, clearly, have a bearing on what can be delivered in practice. Strong and consistent political leadership of a vision buttressed by a clear policy framework can, however, help to reach out beyond the scope of officer influence and engage much more powerfully with residents and with national policy

makers. Executive input to the thinking in this paper is essential to being able to bring forward proposals which have the best chance of political success.

15. The narrative aims to achieve the following:

- Provide members with a shared narrative that can be used in their lobbying on health and care in order to make London's case to government.
- Provide members with a narrative for local use enabling discussions on local health and care transformation.
- Provide strategic policy direction for health and care that is supportive of the new commissioning and delivery frameworks and models that are currently being developed across the capital.

16. Members are asked to comment and agree the draft long term vision for health care in London must achieve as the basis for further development. The ten point plan in table one draws together as a political dialogue the core ambitions for borough-led integration and takes to a next level a number of the central aims of devolution and other integration models. A draft vision is set out below for comment:

<b>Table 1: Meeting the needs of Londoners through the transformation of health and care – The Vision</b>	
<b>Successful transformation of health and care in London means that:</b>	<b>Successful transformation will be a result of the system being transformed in the following ways:</b>
<b>1. Londoners will have simplified access to health and care through one local point for both health and care services.</b>	Integrated system with one access point will mean better sharing of information across health and care. Joined up commissioning strategies will remove fragmentation in the system so that service users receive a seamless service for example even in instances where a person's eligibility for social care or continuing health changes they will not be adversely affected or concerned as they will hardly notice the change in providers. Joined up workforce will enable greater flexibility and a better service for the service users.
<b>2. Londoners will be able to access the services they need close to home.</b>	Commissioning will be more joined up and place based services will be available providing services that are closer to home as providers respond to need in local areas and commission using joined up market strategies
<b>3. The public do not have to worry about safety or</b>	Robust joint health and social care monitoring and regulation is in place and better information sharing will enable safeguarding concerns to be recognised early

<p><b>quality; they can rely on robust systems guaranteeing every care offer is safe.</b></p>	<p>through joined up health and social care intelligence.</p>
<p><b>4. Individual Londoners feel that they are in control of how their care is decided upon and delivered.</b></p>	<p>Personalisation across both health and social care is in place empowering people and ensuring that they are in control of how, what and when support is delivered to match their needs.</p>
<p><b>5. Londoners feel that they shape their care system through the conversations they have with local leaders – who they are confident must be accountable to them</b></p>	<p>Introduction of greater democratic accountability over both health and care - giving Londoners a voice over the direction of services in their areas through the addition of political oversight over both local and regional health and care services. Londoners given the power to vote for the leaders who will have influence over both health and care services in their areas.</p>
<p><b>6. Locally accountable politicians lead the community conversation to shape health and care services - and so deliver faster improvements with greater public consensus.</b></p>	<p>Local politicians representing and having conversations with their local communities know they have the ability to influence and shape the direction of services through stronger democratic structures that are developed. Local politicians become a core part of local and regional health and care governance structures and have a voice in all aspects of health and care including over hospitals, GP care etc.</p>
<p><b>7. Avoidable hospital admissions and unnecessarily long stays in hospitals become a thing of the past through improved alternative care.</b></p>	<p>The health and care system sees the lowest numbers of avoidable admissions and delays in discharges as care in the community becomes a common feature of the transformed health and care system with high numbers of people receiving care either in their homes or other out of hospital settings.</p>
<p><b>8. Londoners are empowered to take charge of their health to help them live longer, healthier, independent lives.</b></p>	<p>Through the use of better technology, better education, better prevention strategies and increased support more Londoners are empowered to take charge of their own health either through better self management of long term conditions or through successful prevention strategies are enabled to live longer healthier lives.</p>

<p><b>9. London has a health and care workforce that is fit for purpose for an integrated health and care system</b></p>	<p>The health and care workforce is joined up and information is shared across the workforce bringing an ended to duplication in the system. London also has a workforce strategy that will help ensure that we have the right people and the right roles to meet the changes taking place not only in the health demographics with people living longer but also responsive to the great use of technology that could change the way services are delivered. There is flexibility in career pathways and the divide in perceptions and differences in pay structure between health staff and care staff are completely broken down so that care staff are no longer seen as secondary to health staff. London as region supports and meets the needs of the health and care workforce so that they are able to both live and work in London through the provision of affordable housing and transport for these key workers.</p>
<p><b>10. Services are provided that will enable more Londoners to die in their own homes instead of hospitals.</b></p>	<p>Hospitals are no longer the place where most deaths occur as more people are supported and cared for to die in their own homes or other suitable settings where ever possible. Structures should be in place to enable and support families</p>

17. The work presented in this paper is not developing within a vacuum – there are a number of pre-existing commitments in London and nationally which provide the possible building blocks for how members may wish to move forward. These include commitments to, for example, the Better Health for London vision which emerged from the London Health Commission. These elements may, potentially, set some of the terms for delivering reform, and so in setting these out here, the Executive may wish to reflect on whether they reflect how Leaders wish to see the future of health and care develop. If not, is a strategy needed to consider how to promote a different type of reform with others?

18. The Executive is, therefore, asked to comment on the framework below which will also form the basis of the narrative that will accompany the political vision outlined in the above section and whether there are additional issues or areas that should be included in the narrative.

<p><b>Table 2: A narrative framework for the Integration of health and care in London update</b></p>	
<p><b>1. London's Aspirations for health and care</b></p>	<p>London needs a vision of the type health and care it wants to deliver for its communities. London's health and care Partners are already signed up to the ten aspirations for health and care in London. Ten aspirations emerged from the London Health Commission led by Lord Darzi, those were:</p> <ul style="list-style-type: none"> <li>i. Give all London's children a healthy and happy start to life</li> </ul>

	<ul style="list-style-type: none"> <li>ii. Get London fitter with better food, more exercise and healthier livings.</li> <li>iii. Make work a healthy place to be in London.</li> <li>iv. Help London to kick unhealthy habits</li> <li>v. Care for the most mentally ill in London so they live longer, healthier lives.</li> <li>vi. Enable Londoners to do more to look after themselves</li> <li>vii. Ensure that every Londoner is able to see a GP when they need to and at a time that suits them.</li> <li>viii. Create the best health and care service of any world city throughout London and on every day</li> <li>ix. Fully engage and involve Londoners in the future health of their city.</li> <li>x. Put London at the centre of the global revolution in digital health.</li> </ul> <p><b>Better Health for Londoners 2014</b>  <a href="https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/Better%20Health%20for%20London%20Next%20Steps_2.pdf">https://www.london.gov.uk/sites/default/files/gla_migrate_files_destination/Better%20Health%20for%20London%20Next%20Steps_2.pdf</a></p> <p>In the London Collaborative Agreement, London health and care Partners have also signed up to objectives that will help them to improve health and care services for Londoners through devolution. In particular, some of the objectives they have committed to are focused on how they can deliver services in a more collaborative way for example:</p> <ul style="list-style-type: none"> <li>i. To achieve improvement in the health and wellbeing of all Londoners through a stronger, collaborative focus on health promotion, the prevention of ill health and supporting self-care.</li> <li>ii. To engage and involve Londoners in their health and care and in the health of their borough, sub-region and city including providing information so that people can understand how to help themselves and take responsibility for their own health.</li> <li>iii. To improve collaboration between health and other services to promote economic growth in the capital by addressing factors that affect both people's wellbeing and their wider economic and life opportunities, through stronger partnerships around housing, early years, employment and education.</li> <li>iv. To deliver integrated health and care that focuses on maximising people's health, wellbeing and independence and when they come to the end of their lives supports them with dignity and respect.</li> <li>v. To invest in fit for purpose facilities for the provision of health and care services and to unlock the potential in the health and care estate to support the overall sustainability and transformation of health and care in the capital.</li> </ul>
<p><b>2. Case for Change in London – drivers for needing to change the system</b></p>	<ul style="list-style-type: none"> <li>- Changing demographics in London over the next ten years mean that there is a need for the health and care system to change to better meet the new demands – people living longer and more people living with multiple long term conditions and there is also a projected increase in people with learning disabilities expected to be needing social care support. The mismatch between projected funding and changing demographics need the system to change so that it is more responsive to people's changing needs while providing provide better care.</li> <li>- Both health and care are under tremendous financial pressures with pressures expected to increase over the coming years - integration will enable better use of limited resources by eliminating some of the duplication that takes place in the current system. An 8 per cent real-terms cut in spending by local authorities in England between 2009/10 and 2015/16 means that the number of older people accessing publicly funded services has fallen by more than 400,000. While under current spending plans, the NHS budget will increase by</li> </ul>

	<p>an average of 1.1 per cent a year between 2009/10 and 2020/21, compared to a long-term average increase of nearly 4 per cent a year since the NHS was established. Health and care organisations need to be streamlined to deliver services in a seamless way.</p> <ul style="list-style-type: none"> <li>- Health inequalities in London need to be addressed and achieving greater levels of equality in health and care should form a key part of the case for change addressing problems such as Men's life expectancy which is at ward level in London which ranges from 71 years in Tottenham Green ward in Haringey to 88 years in Queen's Gate ward in Kensington and Chelsea a difference of 17 years and deaths from diabetes are expected to increase by 25% in the UK by the middle of the next decade, with the most deprived people 2.5 times more likely to have the disease.</li> <li>- Prevention and well-being need to be improved to help ease the pressures on both the health and care system.</li> <li>- The rapid advancements in technology and medical provision taking place which need to change the way health and care is delivered for example through technology people could be given more control of their own self care and management without needing to go in to see a doctor.</li> <li>- The health and care workforce is rigid and the high costs in London mean that it is more expensive to get the right staff where we need them. An integrated workforce strategy is needed which will help to ensure that we have the right work force in place to meet the needs of people across London.</li> <li>- General rising public expectations mean that fundamental changes are needed to the way services are delivered if service standards are to continue to meet people's expectations.</li> <li>- Brexit is expected to have implications for the health and care workforce in particular, transformation is therefore needed to reflect the changes taking place in the wider economic environment of London.</li> </ul>
<p><b>3. Through case studies set out levels of health and care integration taking place at the local/sub-regional level through individual and multi borough integration projects and Accountable Care Systems.</b></p>	<p>Integration is already taking place at several different levels. Part of the work plan is looking at examples of integration across London and looking at the different models being implemented. There are similarities that the models are going through as they begin to work in a more collaborative way, these have been summed up by the Nuffield Trust as outlined below:</p> <p><i>Systemic change</i> - Coordinating and aligning policies, rules and regulatory frameworks between different parts of the system.</p> <p><i>Normative change</i> - Developing shared values, culture and vision across different organisations.</p> <p><i>Administrative change</i> - Aligning back-office functions, budgets and financial systems and developing shared accountability mechanisms, funding processes or information systems.</p> <p><i>Coordinating information and services</i> and integrating patient care within a single process for example, developing extended clinical roles, guidelines and inter-professional education, or facilitating the role of patients in shared decision-making.</p>

	<p><i>Organisational change</i>- Coordinating structures, governance systems and relationships across different organisations and look at how to work over different footprints.</p> <p>Across the capital work has begun looking at different models of care across London with the purpose of mapping different programme. From the plethora of approaches being taken across London it is evident that there isn't model of integrated care that is suited to all contexts.</p> <p>Case studies and mapping of different integration projects are being looked at and will be available to inform local areas in their decisions on local integration models. There are number of lessons that can be drawn from the different examples of integration taking place across London that will be shared through this work. However some early findings are outline below:</p> <p><u>Early findings</u></p> <p><i>Individual borough</i> service level initiatives where a local authority is working closely with its CCG partner to deliver a service in an integrated way.</p> <ul style="list-style-type: none"> <li>- All boroughs have integrated projects between the local authority and CCG</li> <li>- Integrated projects are being delivered in a number of ways that have changed the way the workforce operates for example through, colocation, multi-disciplinary teams etc. are being a common feature</li> <li>- Set governance structure for integration – in many areas this appears to have primarily been driven by the BCF</li> <li>- Development of data sharing pathways</li> <li>- Mental health and dementia also feature strongly in several places.</li> </ul> <p><i>Multi borough initiatives</i> involving more than one borough and CCG.</p> <ul style="list-style-type: none"> <li>- Several areas are now working more collaboratively with other CCGs and boroughs with some areas quite well developed and looking to become Accountable Care systems</li> </ul> <p>Challenges:</p> <p>A number of challenges are being experience across the system in London which are hampering progress in some areas and several areas have identified these as potential areas for additional support:</p> <ul style="list-style-type: none"> <li>- Regulation</li> <li>- Governance</li> <li>- System leadership</li> <li>- Capacity</li> <li>- Contracting</li> <li>- Data sharing</li> <li>- Risk sharing</li> <li>- Organisational conflicts</li> </ul>
<p><b>4. Aims of health and care transformation in the short term</b></p>	<p>Transformation of health and care at the local and regional levels has already begun. In the short term the transformation taking place across London has a number of aims which if coupled with whole system change and is successful will over the longer term enable London to achieve its long term vision set out in the table above. The short term transformation aims include:</p> <ul style="list-style-type: none"> <li>• Moving towards full integration of health and care in all parts of London by 2020</li> <li>• Creation of 3 to 4 accountable care systems over the next couple of years</li> </ul>

	<p>with ACSs being at either the local or multi borough level.</p> <ul style="list-style-type: none"> <li>• Devolution of estates powers and integration powers and cascading them across London once the Memorandum of Understanding has been signed.</li> </ul>
<p><b>5. The long term vision set out for successful health and care transformation to be achieved needs to be accompanied by whole system transformation.</b></p>	<p>There is a need to develop a long term strategic change and direction to develop a holistic system that will better support health and care organisations to deliver services for Londoners. At the heart of the transformation plans and the long term vision is the objective of improving the services and experiences of service users and achieving the aspirations for London. But to achieve this a supportive and sustainable system is required.</p> <p>Whole system change is required that will support the delivery of the vision across London. The whole system change will involve a number of key partners in the health and care system including government, NHSE and local authorities. Work with health and care partners over the coming months will further refine the details for whole system change across London these are likely to include proposals for:</p> <ul style="list-style-type: none"> <li>- Changes to how health and care should be funded in London. Looking at how funding can be streamlined so that health and care are more equitably funded and London partners can have more say over funding allocations. The current system is fragmented resulting in fragmented services being delivered. The different funding streams result in organisations with conflicting priorities and challenges which are difficult to overcome in delivery.</li> <li>- Changes to how commissioning of services should be transformed to break down the fragmentation in the system. London needs a whole system outlook on commissioning which will make health and care equal partners and enable greater flexibilities in how services are commissioned between health and care.</li> <li>- The governance at a strategic level needs to be addressed so that in London we can have a system with democratic accountability over both health and care giving Londoners greater say over how their health and care is addressed and delivered.</li> <li>- Local governance needs to be strengthened and commissioning needs to be done through one organisation or commissioner.</li> </ul>

## Accountable Care Systems

19. This section of the report describes the parallel thinking on integration, as set out in the NHS Five Year Forward View Deliver Plan published in March 2017. The purpose is to bring Executive up to speed with thinking in the NHS, but also to seek political direction on engagement. Experience in recent years would suggest that there is the potential for national policy direction to fetter London's efforts at reform, yet on the other hand it may be there are benefits to London of working to influence the implementation of the policy in the Capital through a strategy of engagement, at both the officer and political level.

20. All areas in London have integration at some level through different schemes and programmes. However, in the most advanced areas, many of the emerging models show similarities to or variations on the description of an Accountable

Care System (ACS) as set out in the NHS Five Year Forward View Delivery Plan, published in March 2017.

21. Accountable Care Systems enable NHS commissioners, providers and local authorities to take collective responsibility for resources and population health and to do this they must:
  - i. Develop collective governance and decision making
  - ii. Agree an accountable performance contract with NHSE and NHSI
  - iii. Together manage funding for the ACS's defined population through a system control total.
  - iv. Demonstrate horizontal integration between providers and vertical integration with GP practice formed in local hubs and networks.
  - v. Establish mechanism to ensure patient choice.
  
22. These developments mark a decisive shift away from the focus on competition as a driver of service improvement, towards collaboration between NHS organisations, local authorities and their partners in place-based systems of care.
  
23. In June, the Government announced eight 'accountable care systems' ( none were selected in London) which will bring together local NHS organisations, social care services and the voluntary sector to improve the delivery of health and care in an area.
  
24. However, the fact that no London systems were selected as part of the ACS national programme is not a reflection of the lack of progress on this broader agenda across London. Arguably, some areas in London are further ahead than the ACS areas identified, and have more ambitious plans. Had the Devolution Memorandum of Understanding been published in the Spring, as had been hoped, this would have shown more clearly the progress made in London compared to the national model of integration being described as an ACS.
  
25. It is noteworthy that several areas in London have already begun their journeys towards driving forward broad and ambitious integration, with some significant shared characteristics between the approaches in London with the latest descriptions of what an integrated health and care system should look like.
  
26. Notwithstanding the recognition that in some respects, London is further ahead than the ACS process, there is likely to be national resources put behind the programme and there is some value on political and officer engagement.

Executive is asked to provide a political view on how London should position itself in respect of the development of ACS arrangements and the national support offer.

### **Better Care Fund update**

27. The following section is reported by way of an update. It reports that there has been an increase in the noise levels around Better Care Fund, which has the potential to distract local government from our broader reform agenda and therefore is worthy of noting, but it is not suggested the issues become a matter for political intervention at this time.
28. All areas should have submitted their Better Care Fund Plans by 11 September 2017. The 2017/19 Better Care Fund (BCF) plans will include the new funding for social care that makes up what is being called the improved Better Care Fund (iBCF). The iBCF is allocated over three years (until 2019-20) and is intended to support sustainable approaches to stabilising the social care market and relieving pressure on the NHS.
29. London boroughs' share of the £2 billion funding allocation will be £316 million over the three years to 2020 and each borough will on average receive an additional £3.2 million of the funding per annum (£9.6 million over 3 years).
30. While the iBCF covers three years, the BCF plans cover a two year period 2017/18 and 2018/19. Although these plans cover a two year period (the first BCF plans to do so moving away from the annual plans) they will also have to include local plans for achieving full integration by 2020.
31. The government has published a set of metrics which it will use to see how local authorities are performing in areas where health and social care work most closely together and this may impact their iBCF allocations.
32. The government has asked the Care Quality Commission to work with those areas that are deemed to be failing against the metrics. The first twelve areas for the CQC reviews have been identified and are listed below. The reviews are meant as an offer of support to those areas that are not performing well.

Birmingham	Manchester
Bracknell Forest	Oxfordshire
Coventry	Plymouth
East Sussex	Stoke on Trent
Halton	Trafford
Hartlepool	York

33. A further review will also be carried out in November, of 2018-19 allocations of the social care funding that was provided at Spring Budget 2017 and therefore allocations could be impacted although government has said that this funding will remain with local government, to be used for adult social care. To date there aren't any London boroughs in the first cohort of boroughs selected for CQC reviews.

### **Devolution update**

34. The publication of the Health and Care Devolution Memorandum of Understanding (MoU) continues to be delayed. London Partners (London Office of CCGs, The Mayor of London, NHS England (London Region), Public Health England and London Councils) have continued to progress those matters where it is possible without seeking agreement with national partners. The update in relation to integration in this report is one of those areas where work is ongoing.

35. The Mayor of London and Chair of London Councils wrote to the Secretary of State for Health in June to push the case for health and care devolution in London, and for the publication of the MoU. The Secretary of State replied in July. In his response, the Secretary of State welcomed London's continued commitment to closer working and recognised the achievements in London, both as a London-wide partnership and the individual pilot areas. The Secretary of State reaffirmed his commitment to deliver an agreement with London as soon as possible.

36. More recently, also in response to a joint letter from the Mayor of London and Chair of London Councils, the Chancellor of the Exchequer has also reaffirmed his commitment to deliver a health and care devolution agreement with London.

37. Reassurance from the Secretary of State for Health and the Chancellor of the Exchequer are welcome. However, as the delay of announcing an agreement, and the commitment it would make to London's priorities, continues, the greater

the risk becomes of partnerships and enthusiasm breaking down. The window to solidify those commitments is likely to get progressively smaller as Autumn progresses.

**Financial Implications for London Councils**

There are no financial implications for London Councils resulting from this report.

**Legal Implications for London Councils**

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

**Equalities implications for London Councils**

There are no equalities implications for London Council.



## Executive

## School funding

Item no: 7

**Report by:** Hannah Barker      **Job title:** Principal Policy & Projects Officer  
**Date:** 12 September 2017  
**Contact Officer:** Hannah Barker  
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### Summary

This report sets out recent key policy developments relating to school funding including on school revenue budgets, capital funding for schools and the high needs block of the Dedicated Schools Grant (DSG). In particular, the report summarises the announcement by the Secretary of State for Education on 17 July, in which an additional £1.3 billion per year was promised for the schools budget until 2019/20, and sets out the potential implications for London's schools. It also highlights the key lines set out in London Councils' latest *Do The Maths* report on capital funding for schools, as well as summarising London Councils' recent analysis on high needs block overspends across London. The report outlines further activity for London Councils to take forward in its ongoing lobbying work on school funding.

### Recommendations

The Executive is asked to:

- consider the potential impact that the latest school funding announcement will have on schools across the capital
- discuss how London Councils should collectively respond to the challenges set out in the report on revenue funding, capital funding and high needs pressures



# School funding

## Revenue funding for schools

### Introduction

1. The Conservative election manifesto, published in May 2017, announced a plan to introduce the new National Funding Formula (NFF) with a commitment to ensuring that no school is worse off as a result. The manifesto also pledged to increase the schools budget by £4 billion by 2022 in order to provide real terms protection. These commitments represented a success for London Councils, who have been lobbying consistently for school budgets to be protected from reductions incurred by the introduction of the NFF.
2. However, schools across the country have been facing considerable additional cost pressures, aside from the threat of reductions arising from the introduction of the NFF. London Councils undertook analysis to understand the cost pressures facing schools up until 2022. Our modelling estimates that the total cost pressures on schools in England will be around £5.6 billion between 2017/18 and 2021/22. This modelling factors in pupil growth, other cost pressures, reductions to the Education Services Grant and the cost of protecting all schools against losses from the NFF (estimated to be £335 million). Appendix 1 compares the methodology of this analysis with that of other published analyses of school funding pressures.
3. Following the Leaders' Committee meeting on 11 July, London Councils Deputy Chair and Executive member with responsibility for schools, Cllr Peter John OBE, sent a letter to the Secretary of State urging the government to invest £5.6 billion until 2021/22 to protect schools budgets in real terms.
4. The Secretary of State for Education, Rt. Honourable Justine Greening MP, made an Oral Statement on 17 July, setting out the government's school funding plans. She announced that the core schools budget will increase by £1.3 billion in 2018/19 and 2019/20. Every school will receive at least a 0.5 per cent a year per pupil cash increase, and schools classed as underfunded will receive a per pupil cash increase of up to 3 per cent per year.
5. The investment in the schools budget will be funded through efficiencies and savings made in the Department for Education's (DfE) budget. These savings will be made in:

- The main capital budget (£420 million), primarily in healthy pupils capital funding (£315 million)
  - The free schools programme (£280 million)
  - DfE resource budget (£250 million in 2018/19 and £350 million in 2019/20)
6. Also in the statement, the Secretary of State reconfirmed her commitment to create an additional 140 free schools by 2019/20, as announced in the last Budget, and highlighted that efficiencies would “include delivering 30 of the 140 schools through the local authority route rather than the central free schools route”. The Secretary of State also confirmed plans to introduce the NFF in 2018 and stated that the government will respond to the consultation in full in September 2017. There was no mention of school funding plans after 2019/20.

### **Implications of the funding announcement for London’s schools**

7. The announcement represents a major success for London’s school age children and indeed for the lobbying of London Councils and the boroughs it represents. We have undertaken substantial lobbying activity since the initial consultation on the NFF to call for the government to consider the funding pressures already facing schools across the country and to invest an additional £335 million in school budgets to ensure that no school loses out as a result of the introduction of the NFF. The additional investment in the schools budget will be vital in supporting London’s schools to build on their current performance and continue to improve standards.
8. However, there are still significant concerns about how much of the new money London’s schools will receive. Subject to any changes when allocations are published in the autumn, it is highly likely that the 70 per cent of London schools previously set to lose funding under the draft NFF would still only receive the 0.5 per cent per year uplift; the minimum increase. The National Audit Office identified per pupil cost pressures of 1.6 per cent in both 2018/19 and 2019/20<sup>1</sup>, suggesting that the schools receiving the lowest cash increase of 0.5 per cent will face a reduction in real terms per pupil funding. This means that London’s schools could receive substantially less of this additional funding than schools in other regions. This will only be confirmed in the early Autumn when school allocations are published.
9. The impact of the savings and efficiencies on other programmes in the Department for Education is uncertain. For example, it is unclear how the proposed savings to the

capital funding budget will affect the government's ability to help manage demand for school places in London, and what support and funding will be provided for councils creating new free schools via the local authority route.

### **Capital funding for schools**

10. London Councils recently published the latest edition of *Do The Maths*, our annual school places planning report. The report highlights the predicted demand for school places across London for the next six years, identifies a number of issues with the current places planning system and makes a number of asks of government to support local authorities in their duty to secure sufficient school places and increase value for money in the free schools programme.

11. This year's projections in *Do The Maths* highlight a shortfall of 63,710 places across schools in London until 2022/23; this includes 27,376 at primary and 36,335 at secondary. This represents a slowing down of demand in the primary sector for the first time in almost a decade, although demand is growing steadily at secondary level. Some London boroughs are still facing considerable demand for places at both primary and secondary levels, in part due to ongoing housing developments. Through discussion with a number of local authorities, London Councils believes that this reduction in demand at primary can be attributed to a number of factors, including:

- Boroughs have delivered a considerable number of new places over the past year, helping to reduce the shortfall significantly
- There was a 2.3% decrease in the number of births between 2012 and 2013, reducing demand for reception places this year
- Affordability issues around housing has meant that families have moved out of some areas of the capital
- Some boroughs have reported changes in migration patterns amongst particular populations, potentially as an early indicator of changes brought about by the decision to leave the European Union.

### **Asks of government on capital funding and the free schools programme**

12. Despite the reduction in the shortfall for places, London will still need additional funding for school places of an estimated £1 billion over the next six years – through

a combination of additional basic need funding and the central funding of places through the free school programme.

13. The report also sets out key recommendations in relation to the free schools programme, arguing that when local authorities are involved in creating new schools from the outset, then those new schools are more likely to meet the needs of the local community and avoid creating surplus places. At a time of considerable pressure on schools budgets the report argues that the DfE should be focusing on avoiding surplus places, which could lead to school closures, and prioritising free schools in areas of high demand. London Councils proposes in *Do The Maths* that the government should undertake a shift in the way it manages the free schools programme by:

- Ensuring strategic join-up between local government and the ESFA on free schools and land acquisition from the outset to ensure better value for money and delivering of sufficient school places
- Only approving free schools where they meet basic need
- Recognising and covering the costs to councils in working on free schools
- Compensating local authorities for all contingency costs when a free school has been delayed
- Aiming for all new secondary free schools to be no smaller than six Forms of Entry

14. The report also includes a substantial section on demand for dedicated Special Educational Needs and Disabilities (SEND) places, which has risen by 22% since 2010. The report calls on the government to commit to providing capital funding consistently to fully meet the costs of creating SEND provision, and to hold a further round of applications for special free schools to increase the amount of local SEND provision available.

15. For the first time, the report includes a section on further education (FE) provision. Demand for FE provision is expected to rise from 2020 as demand in primary and secondary move through the system. Furthermore, the government's focus on technical education and the multitude of reforms including the apprenticeship levy and the introduction of T levels will place significant capital requirements on providers. Thus, the report calls on the government to ensure that sufficient funding

is provided in a timely manner to ensure that local authorities can deliver on their duty to ensure sufficient places for all young people until the age of 18.

### **High needs funding for schools**

16. London Councils recently carried out a survey to capture financial data for Children's Services, including the high needs block of the Dedicated Schools Grant (DSG). The survey found that, in 2016/17, the amount spent on high needs was greater than the amount allocated through the high needs block of the DSG in 23 out of 28 boroughs. The aggregate funding gap across these 23 boroughs was £94 million – equivalent to 14 per cent of aggregate high needs allocations or £4.1 million per borough.
17. This gap has most commonly been met by local authorities through transfers of funding from other blocks of the Dedicated Schools Grant (£40m). A minority of boroughs used reserves (£20m), DSG carry-forward (£11m) or general funds (£5m). Some respondents answered 'other', which accounts for the remaining £18m, and several reported that they used a combination of the above methods. As mainstream schools face increasing cost pressures, it is unlikely that many schools forums will support the ongoing movement of funds to the high needs block, so local authorities will be under increasing pressure to manage these overspends.
18. Another area of significant overspend was in SEND transport budgets, despite a substantially smaller budget. 24 out of 28 boroughs experienced overspends to SEND transport budgets in 2016/17, averaging £1 million per borough. Against aggregate budgets of £75.1 million, this equates to an aggregate 32.1 per cent overspend. Across 20 boroughs providing full data over time, spend on SEN transport increased by 23 per cent between 2013/14 and 2016/17.
19. The pressures on the high needs block and SEND transport budget are exacerbated by the high proportion of children with SEND who are educated in independent or out-of-borough provision due to lack of maintained specialist provision within the borough. The headline survey results were included in *Do The Maths* as an illustration of the need to provide capital funding and support to boroughs to create more specialist provision.
20. Proposals for a NFF included the introduction of a High Needs NFF, which the government plans to introduce in April 2018 at the same time as the schools NFF.

London Councils responded to the consultation on the high needs funding formula along with the main NFF consultation, emphasising that the pressures on high needs budgets are amongst the most acute of any local government service area in the capital and expressing disappointment that the scale and urgency of this financial challenge had not been recognised in the NFF proposals.

### **Next steps**

21. Schools will receive their individual budget allocations in autumn 2017. It is proposed that London Councils conducts analysis at that point to understand how much of the additional £1.3 billion per year investment will benefit London schools and whether this will address all the additional cost pressures facing schools. If a shortfall is identified, London Councils will continue to lobby government to protect all school budgets in real terms.

22. It is proposed that London Councils continues to lobby government to reform the free school programme and secure an adequate basic need allocation for London boroughs. London Councils will seek a Ministerial meeting to discuss how to reshape the free school programme to better support local authorities in their sufficiency duty.

### **Recommendations**

23. The Executive is asked to:

- consider the potential impact that the latest school funding announcement will have on schools across the capital
- discuss how London Councils should collectively respond to the challenges set out in the report on revenue funding, capital funding and high needs pressures

### **Financial Implications for London Councils**

None

### **Legal Implications for London Councils**

None

### **Equalities Implications for London Councils**

None

## Appendix 1: Analysis of cost pressures facing schools

1. London Councils modelling identifies cost pressures on schools amounting to £5.6 billion by the end of this parliament (2017/18 to 2021/22). The analysis found a resulting funding shortfall of £1.6 billion (4.2 per cent) for schools in this time period. This analysis was conducted prior to the Secretary of State's announcement in July, and was based on the Conservative manifesto commitment to invest £4 billion in schools over the course of the parliament. The model factors in pupil growth, other school-specific cost pressures, reductions to the Education Services Grant and the impact of the proposed NFF.
2. The Institute for Fiscal Studies (IFS) and the Education Policy Institute (EPI) completed similar analysis prior to the Secretary of State's announcement in July. The £1.6 billion shortfall predicted by London Councils compares to a 2.8 per cent real-terms, per-pupil reduction identified by the IFS over the same period (equivalent to £1.1 billion). The EPI's analysis shows a £1.3 billion shortfall estimate.
3. Unlike EPI and IFS analysis, London Councils modelling factors in the £335 million cost of introducing a "no loser" national funding formula – excluding this cost, London Councils modelling matches the £1.3 billion EPI estimate. The remaining discrepancy with the IFS estimate is likely to be due to the different data sources used for both pupil numbers and inflation. London Councils uses the forecasts of pupil numbers submitted by local authorities as part of DfE's annual School Capacity Survey (SCAP), whilst the IFS uses separate forecasts based on ONS population data. Likewise, the National Audit Office's school-specific measure of inflation used in the London Councils model differs from the general measure of inflation used by the IFS.

# Executive

## Month 3 Revenue Forecast 2017/18

Item no: 8

**Report by:** Frank Smith

**Job title:** Director of Corporate Resources

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### Summary

This report summarises actual income expenditure recorded in the accounts as at 30 June 2017 (Month 3), provides a projected outturn figure for the year and highlights any significant forecast variances against the approved budget. A separate forecast is provided for each of London Councils three funding streams. The Executive is also provided with an update on London Councils reserves. The summary forecast outturn position is as follows:

	<b>M3 Actual</b>	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Total expenditure	94,074	388,087	389,116	1,029
Total income	(96,524)	(385,459)	(387,377)	(1,918)
Use of reserves	-	(2,628)	(3,224)	(596)
<b>Net deficit/(surplus)</b>	<b>(2,450)</b>	<b>-</b>	<b>(1,485)</b>	<b>(1,485)</b>
Net expenditure by Committee				
Grants	(652)	-	32	32
Transport and Environment	2,679	-	(786)	(786)
Joint	(4,477)	-	(731)	(731)
<b>Net deficit/(surplus)</b>	<b>(2,450)</b>	<b>-</b>	<b>(1,485)</b>	<b>(1,485)</b>

### Recommendations

The Executive is asked to note the overall forecast surplus as at 30 June 2017 (Month 3) of £1.485 million and note the position on reserves as detailed in paragraphs 16-17.



## Month 3 Revenue Forecast 2017/18

### Introduction

1. London Councils revenue expenditure budget for 2017/18, as approved by the Leaders' Committee in December 2016 was £387.45 million. The budget was then adjusted by £637,000 to reflect the decision of this Committee to bring forward the £29,000 underspend in respect of NOTIFY into 2017/18 and TECs decision to bring forward underspends of £227,000 that arose in 2016/17 into the current year. In addition, the budget was increased by a further £222,000 on confirmation of the finalised funding available from boroughs and TfL for the Taxicard Scheme in 2017/18. Finally, the budgets for the HR Metrics Service and London Care Placements were increased by £16,000 and £143,000 respectively to reflect revised service levels, the latter following a meeting the ALDCS in March 2017, making a revised expenditure budget for 2016/17 of £388.087 million.
2. The corresponding revenue income budget approved by the Leaders' Committee in December 2016 was £387.45 million, which included an approved transfer of £2.372 million from reserves; £826,000 of which related to a further return of funds to boroughs from reserves. Additional transfers from reserves of £256,000 was made to cover carry forward expenditure (see paragraph 1), plus additional Taxicard funding from the boroughs of £95,000 and from TfL of £127,000. Additional contributions from funders for the HR Metrics Service and London Care Placements of £16,000 and £143,000 respectively were also added to the budget in line with current service levels. Total revised income, therefore, is budgeted to be £388.087 million, of which £2.628 million is an approved transfer from reserves to produce a balanced budget for the year.
3. This report analyses actual income and expenditure after three month of the current financial year and highlights any significant variances emerging against the approved budget.
4. Table 1 below details the overall forecast position, with Tables 2-4 showing the position for the three separate funding streams.

**Table 1 – Summary Income and Expenditure Forecast 2017/18, as at 30 June 2017.**

	<b>M3 Actual</b>	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>
<b>Expenditure</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Employee Costs	1,204	5,618	5,437	(181)
Running Costs	110	3,376	3,646	270
Central Recharges	-	616	616	-
<b>Total Operating Expenditure</b>	<b>1,314</b>	<b>9,610</b>	<b>9,699</b>	<b>89</b>
Direct Services	2,413	8,277	9,279	1,002
Payments in respect of Freedom Pass and Taxicard	88,317	359,781	358,551	(1,230)
Commissioned grants services	592	6,173	6,173	-
London Funders Group	14	60	60	-
ESF commissions	922	1,880	3,917	2,037
One-off borough payments	387	826	826	-
Improvement and Efficiency work	25	265	116	(149)
YPES Regional/Provider Activities	14	50	50	-
Challenge Implementation Fund	-	525	86	(439)
Commissioning and Research	76	640	359	(281)
<b>Total Expenditure</b>	<b>94,074</b>	<b>388,087</b>	<b>389,116</b>	<b>1,029</b>
<b>Income</b>				
Contributions in respect of Freedom Pass and Taxicard	(87,539)	(359,838)	(359,173)	665
Borough contribution towards grant payments	(2,216)	(7,173)	(7,596)	(423)
Borough contribution towards YPES payments	(180)	(180)	(180)	-
Income for direct services	(640)	(8,748)	(9,921)	(1,173)
Core Member Subscriptions	(5,332)	(5,706)	(5,706)	-
Borough contribution towards LCP payments	(433)	(496)	(496)	-
Government Grants	-	(1,000)	(2,019)	(1,019)
Interest on Investments	(23)	(75)	(71)	4
Other Income	(85)	(273)	(245)	28
Central Recharges	(76)	(1,970)	(1,970)	-
Transfer from Reserves	-	(2,628)	(3,224)	(596)
<b>Total Income</b>	<b>(96,524)</b>	<b>(388,087)</b>	<b>(390,601)</b>	<b>(2,514)</b>
<b>Net Expenditure</b>	<b>(2,450)</b>	<b>-</b>	<b>(1,485)</b>	<b>(1,486)</b>
<b>Applied to Funding Streams</b>				
Grants Committee	(652)	-	32	32
Transport and Environment Committee	2,679	-	(786)	(786)
Joint Committee Functions	(4,477)	-	(731)	(731)
<b>Net Expenditure</b>	<b>(2,450)</b>	<b>-</b>	<b>(1,485)</b>	<b>(1,485)</b>

## Revenue Forecast Position as at 30 June 2017 – Grants Committee

5. Table 2 below summarises the forecast outturn position for the Grants Committee:

**Table 2 – Summary Forecast – Grants Committee**

	<b>M3 Actual</b>	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>
<b>Expenditure</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Employee Costs	96	423	460	37
Running Costs	8	18	18	-
Central Recharges	0	189	189	-
<b>Total Operating Expenditure</b>	<b>104</b>	<b>630</b>	<b>667</b>	<b>37</b>
Commissioned grants services	592	6,173	6,173	-
London Funders Group	14	60	60	-
ESF commissions – 2016+	922	1,880	3,917	2,037
One-off payment to boroughs	57	156	156	-
<b>Total Expenditure</b>	<b>1,689</b>	<b>8,899</b>	<b>10,973</b>	<b>2,074</b>
<b>Income</b>				
Borough contributions towards commissioned services	(2,216)	(7,173)	(7,596)	(423)
Borough contributions towards the administration of commissions	(121)	(495)	(495)	-
ESF Grant – 2016+	-	(1,000)	(2,019)	(1,019)
Interest on Investments	(4)	-	(4)	(4)
Other Income	-	-	-	-
Transfer from Reserves	-	(231)	(827)	(596)
<b>Total Income</b>	<b>(2,341)</b>	<b>(8,899)</b>	<b>(10,941)</b>	<b>(2,042)</b>
<b>Net Expenditure</b>	<b>(652)</b>	<b>-</b>	<b>32</b>	<b>32</b>

6. The projected deficit of £32,000, is broadly split between the following:

- A projected breakeven position in respect of S.48 borough funded commissioned services relating to 2017/18;
- A projected breakeven position in respect of anticipated payments made in respect of the S.48 ESF programme; and
- A projected overspend position of £32,000 in respect of the overall administration of all commissions.

7. In addition, liabilities of £754,576 relating to 25 outstanding payments due to commissions in respect of 2016/17 were set up during the accounts closure process. At the time of writing this report, payments of £605,329 have been released during 2017/18. It is anticipated that £119,010 will not be paid out and therefore be moved to underspend and back to S.48 reserves.

## Revenue Forecast Position as at 30 June 2017 – Transport and Environment Committee

8. Table 3 below summarises the forecast outturn position for the Transport and Environment Committee:

**Table 3 – Summary Forecast – Transport and Environment Committee**

	<b>M3 Actual</b>	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>
<b>Expenditure</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Employee Costs	154	675	614	(61)
Running Costs	37	387	386	(1)
Central Recharges	0	90	90	-
<b>Total Operating Expenditure</b>	<b>191</b>	<b>1,152</b>	<b>1,090</b>	<b>(62)</b>
Direct Services	2,413	8,211	9,213	1,002
Research	0	40	40	-
Payments in respect of Freedom Pass and Taxicard	88,317	359,781	358,551	(1,230)
One-off payment to boroughs	-	340	340	-
<b>Total Expenditure</b>	<b>90,921</b>	<b>369,524</b>	<b>369,234</b>	<b>(290)</b>
<b>Income</b>				
Contributions in respect of Freedom Pass and Taxicard	(87,539)	(359,838)	(359,173)	665
Income for direct services	(562)	(8,650)	(9,823)	(1,173)
Core Member Subscriptions	(97)	(97)	(97)	-
Government Grants	-	-	-	-
Interest on Investments	(3)	-	(3)	(3)
Other Income	(41)	(84)	(69)	15
Transfer from Reserves	-	(855)	(855)	-
<b>Total Income</b>	<b>(88,242)</b>	<b>(369,524)</b>	<b>(370,020)</b>	<b>(496)</b>
<b>Net Expenditure</b>	<b>2,679</b>	<b>-</b>	<b>(786)</b>	<b>(786)</b>

9. The projected surplus of £786,000 is made up of the following:

- A projected overall surplus of £142,000 in respect of TEC parking traded services, after considering an estimate of the level of borough/TfL/GLA usage volumes during the first quarter. This is attributable to a number of areas.
  - Firstly, there is a projected net surplus of £133,000 in respect of parking and traffic appeals. The estimated number of notice of appeals and statutory declarations received over the first three months amounts to 10,430, giving a projected number for the year of 41,720, 1,134 more than the budgeted figure of 40,586. The current throughput of appeals is 3.7 appeals per hour, compared to a budget figure of 2.7.
  - Secondly, the transaction volumes for other parking systems used by boroughs and TfL over the first quarter are projected to result in a net deficit of £33,000; and

- Finally, the fixed cost element of the RUCA contract with the GLA/TfL is projected to generate additional income of £42,000, due to increased rechargeable costs.
- A projected breakeven position in respect of employee costs. The cost of staff providing direct services (included within the direct services administration charge) is estimated to overspend by £31,000, although this is offset by an underspend on staffing costs attributable to non-operational and policy staff of £31,000. In addition, the maternity cover budget is estimated to be underspent by £30,000.
- A reduction of £34,000 in respect of the estimated Business Rates payable in respect of the hearing centre at Chancery Exchange, arising from the actual bill for 2017/18 being less than the projected increase calculated at the budget setting stage in November 2016.
- A projected underspend of £400,000 in respect of the £1.7 million budget for payments to independent bus operators, which is based on Q1 claims and a forecast of 4% increase on average fares assumed to take effect in mid-Q2. However, four of the current operators are new and although there is an assumed 1% increase in journeys on these routes, it is not easy to accurately predict future trends as it takes time for the new operators to build up patronage.
- A projected underspend of £26,000 in respect of the £1.518 million budget for payments to in respect of the issuing/reissuing costs of Freedom Passes and undertaking the mid-term review during 2017/18.
- Based on income collected during the first quarter, receipts from Lorry Control PCN income are forecast to breakeven against the budget of £800,000.
- Based on income collected during the first quarter, income receipts from replacement Freedom Passes are forecast to exceed the budget of £600,000 by £169,000. For replacement Taxicards, there is a projected deficit on the £24,000 income budget of £4,000 for the year.

## Revenue Forecast Position as at 30 June 2017 – Joint Committee Core Functions

10. Table 4 below summarises the forecast outturn position for the Joint Committee core functions:

**Table 4 – Summary Forecast – Joint Committee core functions**

	<b>M3 Actual</b>	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Expenditure</b>				
Employee Costs	954	4,520	4,363	(157)
Running Costs	65	2,971	3,242	271
Central Recharges	-	337	337	-
<b>Total Operating Expenditure</b>	<b>1,019</b>	<b>7,828</b>	<b>7,942</b>	<b>114</b>
Direct Services	-	66	66	-
Commissioning and Research	76	600	319	(281)
Improvement and Efficiency work	25	265	116	(149)
YPES Regional/Provider Activities	14	50	50	-
Challenge Implementation Fund	-	525	86	(439)
One-off borough payment	330	330	330	-
<b>Total Expenditure</b>	<b>1,464</b>	<b>9,664</b>	<b>8,909</b>	<b>(755)</b>
<b>Income</b>				
Income for direct services	(78)	(98)	(98)	-
Core Member Subscriptions	(5,114)	(5,114)	(5,114)	-
Borough contribution towards YPES payments	(180)	(180)	(180)	-
Borough contribution towards LCP payments	(433)	(496)	(496)	-
Government Grants	-	-	-	-
Interest on Investments	(16)	(75)	(64)	11
Other Income	(44)	(189)	(176)	13
Central Recharges	(76)	(1,970)	(1,970)	-
Transfer from Reserves	-	(1,542)	(1,542)	-
<b>Total Income</b>	<b>(5,941)</b>	<b>(9,664)</b>	<b>(9,640)</b>	<b>24</b>
<b>Net Expenditure</b>	<b>(4,477)</b>	<b>-</b>	<b>(731)</b>	<b>(731)</b>

11. A projected surplus of £731,000 is forecast in respect of the joint committee core functions. Employee costs are projected to underspend by £157,000, primarily due to holding off recruiting to certain current vacant posts. There is a projected deficit of £373,000 in respect of the estimated rent increase at the Southwark Street site, offset by £102,000 excess budget relating to the estimated business rates increase for the site effective from the start of the year.

12. From transactions processed during this early stage of the year, there are forecast underspends of:

- £281,000 in respect of the commissioning budget;
- £149,000 in respect of improvement and efficiency work; and

- £439,000 in respect of the Challenge Implementation Fund.

13. All of these areas are subject to developing proposals following a direction of travel set by members during the course of the year. These costs are, therefore, liable to fluctuate as the year progresses as new priorities are identified and come on stream, thereby incurring in-year costs.

14. These are offset by a projected shortfall of £11,000 in respect of investment income and £13,000 in respect of other income.

### **Externally Funded Projects**

15. The externally funded projects are estimated to have matched income and expenditure of just over £3.56 million for 2017/18, including funding for the borough (non S.48) ESF programme. This is based on a review of the indicative budget plans held at London Councils by the designated project officers, which confirms that there is no projected net cost to London Councils for running these projects during 2017/18. However, a fuller picture of transactions relating to these activities will be included in the Month 6 forecast report to be present to the November Executive meeting.

### **Reserves**

16. The forecast reserves position for each of the three funding streams for the current year and beyond is illustrated in Table 6 below:

**Table 6 – Forecast reserves after all current commitments**

	<b>Transport and Environment Committee (£000)</b>	<b>Joint Committee (£000)</b>	<b>Grants Committee (£000)</b>	<b>Total (£000)</b>
General Reserve at 31 March 2017	3,536	5,769	443	9,748
Specific/ESF reserve at 31 March 2017	1,734	-	1,574	3,308
<b>Provisional reserves at 31 March 2017</b>	<b>5,270</b>	<b>5,769</b>	<b>2,017</b>	<b>13,056</b>
Committed in setting 2017/18 budget	(488)	(1,183)	(75)	(1,746)
One-off payment to boroughs 2017/18	(340)	(330)	(156)	(826)
Balances c/f into 2017/18	(227)	(29)	-	(256)
Potential ESF grants commitments in 2017/18- 2018/19	-	-	(1,574)	(1,574)
Provisional commitments for 2018/19 -2019/20	(2,729)	(530)	-	(3,259)
Write back of 2016/17 grants liabilities	-	-	119	119
Projected surplus/(deficit) for the year	786	731	(32)	1,485
<b>Uncommitted reserves</b>	<b>2,272</b>	<b>4,428</b>	<b>299</b>	<b>6,999</b>

17. The current level of commitments from reserves, as detailed in Table 6, come to £7.661 million over the short-medium term and are detailed in Table 7 below:

**Table 7 – Commitments from Reserves 2017-2020**

	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>Total £000</b>
Balances b/f from 2016/17	256	-	-	256
Approved transfer from JC general reserves	164	-	-	164
Approved transfer from TEC general reserves	288	-	-	288
Accumulated YPES funds	293	197	-	490
Slippage of ESG grants funding	-	787	787	1,574
One-off repayment to boroughs	826	-	-	826
Challenge Implementation Fund	525	-	-	525
Support to the health transition process	201	-	-	201
2020 Freedom Pass reissue	-	534	2,195	2,729
TEC priority projects	200	-	-	200
Support to 3 <sup>rd</sup> sector via City Bridge Trust	75	-	-	75
Potential ESF liability on borough funded programme	256	77	-	333
<b>Totals</b>	<b>3,084</b>	<b>1,595</b>	<b>2,982</b>	<b>7,661</b>

## **Conclusions**

18. This report highlights the projected outturn position for the current year, based on transactions undertaken up until 30 June 2017 (month 3), together with known future developments. At this point, a forecast underspend of £1.485 million is projected for 2017/18, across the three funding streams. Uncommitted reserves are currently projected to be just under £7 million by the end of the current financial year.
19. The next forecast will be presented to the Executive in November, which will highlight the projected position at the half-way stage of the 2017/18 financial year.

## **Recommendations**

20. The Executive is asked to note the overall forecast surplus as at 30 June 2017 (Month 3) of £1.485 million and note the position on reserves as detailed in paragraphs 16-17.

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## **Financial Implications for London Councils**

No additional implications other than detailed in the body of the report.

## **Legal Implications for London Councils**

None

## **Equalities Implications for London Councils**

None

## **Appendices**

None

## **Background Papers**

London Councils Revenue Forecast File 2017/18

# Executive

## Debtors Update Report

Item no: 9

**Report by:** David Sanni                      **Job title:** Head of Financial Accounting  
**Date:** 12 September 2017  
**Contact Officer:** David Sanni  
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### Summary

This report details the level of outstanding debt owed to London Councils from all sources as at 31 July 2017. This report also details the reduction in the level of outstanding debt due from boroughs, TfL and the GLA in the period to 31 December 2016.

A summary of the level of London Councils outstanding debts as at 31 July 2017 is shown in Table 1 below:

**Table 1- Summary of London Councils Outstanding Debts at 31 July 2017**

<b>Period</b>	<b>Borough / TfL / GLA Debts £000</b>	<b>Other Debts £000</b>	<b>Total Debts £000</b>
Debts invoiced up to 31/12/2016	-	12	12
Debts invoiced between 1/1/2017 – 31/7/2017	3,237	65	3,302
<b>Total</b>	<b>3,237</b>	<b>77</b>	<b>3,314</b>

### Recommendations

The Executive is asked:

- To note that all borough, TfL and GLA debts raised up to 31 December 2016 and reported to the Executive at its meeting on 28 February 2017 have been paid;
- To note the level of outstanding debt of £3.237 million in respect of borough, TfL and GLA invoices raised in the period 1 January to 31 July 2017;
- To note the level of outstanding debt of £76,633.26 in relation to other debtors invoices raised up until 31 July 2017; and

- To note the specific action being taken in respect of significant debtors, as detailed in paragraph 5 and 8 of this report.
-

# Debtors Update Report

## Introduction

1. London Councils' Executive received a report at its meeting on 28 February 2017 which detailed the level of outstanding debt due from member boroughs, TfL and the GLA for invoices raised up to 31 December 2016. The position reported to this meeting is illustrated in Table 2 below:

**Table 2 – Outstanding Borough/TfL and GLA debt invoiced up until 31 December 2016, as reported to the Executive on 28 February 2017**

Debtor	Debt Amount (£)
Member boroughs	1,005,533.20
TfL	-
GLA	-
<b>Total</b>	<b>1,005,533.20</b>

2. All these debts have been settled.

## Borough/TfL/GLA Debt 1 January to 31 July 2017

3. Appendix A to this report shows the level of outstanding debt owed to London Councils by its member boroughs and TfL/GLA over the period 1 January to 31 July 2017, which totals £3.237 million. This debt is profiled as illustrated in Table 3 below:

**Table 3 – Outstanding Borough/TfL and GLA debt 1 January to 31 July 2017**

Debtor	0-30 days (£000)	30-60 Days (£000)	60-90 Days (£000)	Over 90 Days (£000)	Total (£000)
Member boroughs	2,095	464	146	130	2,835
TfL	114	2	-	-	116
GLA	-	286	-	-	286
<b>Total</b>	<b>2,209</b>	<b>752</b>	<b>146</b>	<b>130</b>	<b>3,237</b>

4. Under the terms of the Financial Services SLA with the City of London, reminders in respect of unpaid invoices are sent out to debtors by the City on behalf of London Councils after 21 and 35 days. If a debt is still outstanding after 42 days, it is handed back over to London Councils for further action to be taken. Finance officers are, therefore, actively pursuing the debt of £276,000 that has been outstanding for over 60 days. The aim is to ensure that the majority of the unpaid debt at any point in time has been outstanding for less than 30 days, with a minimal amount being outstanding for between 30 and 60 days. Boroughs, TfL and GLA are urged to ensure that any disputed amounts are promptly reported back to London Councils, detailing the full nature of the dispute. In cases where the value and/or number of outstanding invoices owed by a borough

are unacceptably high, the debts are referred to the Chief Executive and Borough Treasurer through contact from London Councils Chief Executive and /or Director of Corporate Resources to assist in the recovery of the funds.

### **Significant Borough/TfL/GLA Debtors**

5. The significant individual borough, TfL and GLA debtors within the outstanding balances over 60 days are detailed below:

- **LB of Brent - £14,488.48 – 2 invoices (Now nil)**

The balance was made up of two invoices that relate to the annual contribution to London Care Services for 2017/18 (£14,481.00) and TEC parking services for abandoned and untaxed vehicles (£7.48). The debt was settled in August 2017.

- **LB of Hillingdon - £37,567.20 – 1 invoice (Now nil)**

The balance was made up of one invoice that relates to the annual subscription to London Councils Limited for 2017/18. The debt was settled in August 2017.

- **LB of Newham - £150,563.00 – 3 invoices (Now £3,420.00 – 1 invoice)**

The balance was made up of three invoices that relate to the contribution to non-TfL concessionary fares scheme for the first quarter of 2017/18 (£104,844.00), the Taxicard subscription for the first quarter of 2017/18 (£42,299.00) and the annual contribution to London HR Metrics Service for 2017/18 (£3,420.00). The invoices for the non-TfL concessionary fares scheme contribution and Taxicard subscription were paid in August 2017. London Councils' finance officers shall continue to liaise with colleagues in the borough to ensure the remaining debt is settled as soon as possible.

- **LB of Waltham Forest - £32,573.88 – 2 invoices (Now nil)**

The balance consisted of two invoices that relate to charges for TEC parking services for the fourth quarter of 2016/17. The debt was settled in August 2017.

- **LB of Wandsworth - £14,481.00 – 1 invoice**

The balance consists of one invoice that relates to the annual subscription to London Care Services for 2017/18. The borough's Director of Resources and Deputy Chief Executive has been informed of the outstanding balance and finance officers shall

continue to liaise with colleagues in the borough to ensure the debt is settled as soon as possible.

6. The total value of the debts detailed in paragraph 5 above is £249,673.56 and consists of 9 invoices. If these amounts are excluded from all the debts that are over 60 days old which total £276,317.56 a sum of £26,644.00 remains outstanding in respect of 10 invoices, an average of £2,664.40 per invoice outstanding. In addition to the reminders sent out by the City of London, the borough officers have also been contacted by letters and telephone but some of the debts still remain unpaid. Finance officers will continue to chase up these debts with the relevant borough officers with a view to clearing as much as possible in the period up until 30 September 2017.

#### Other Debtors

7. Appendix B to this report shows the level of outstanding debt owed to London Councils by third parties other than member boroughs, TfL and the GLA at 31 July 2017. An aged analysis of these debts is summarised in table 4 below:

**Table 4 – Non-borough/TfL/GLA outstanding debt as at 31 July 2017**

	<b>Total Debt (£)</b>	<b>No. of invoices</b>
2013/14 debts	250.00	1
2014/15 debts	11,505.82	2
2017/18 debts between 61 – 90 days old	2,100.00	1
2017/18 debts between 31 – 60 days old	33,018.80	10
2017/18 debts 30 days or less	29,758.64	27
<b>Total</b>	<b>76,633.26</b>	<b>41</b>

8. The significant individual debtors within the outstanding balances over 60 days are:
- **Homes for Haringey Ltd - £2,100.00 – 1 invoice (Now nil)**  
This balance was made up of one invoice that relates to their contribution to the London Homelessness Awards. The invoice was paid in August 2017.
  - **Repayment of ESF Community Grants - £11,755.82 – 3 invoices**  
Table 5 below contains a list of three organisations awarded community grants under the discretionary ESF co-financing programme that have been asked to repay their unused grant funding.

**Table 5 – List of Community Grant debtors**

<b>Name of organisation</b>	<b>Outstanding repayment at 31 July 2017</b>
Community Business Enfield	6,249.82
Creative Innovation	250,00
Kimbanguist Association of London	5,256.00
<b>Total</b>	<b>11,755.82</b>

ESF Community Grants are awarded to voluntary organisations for projects which help unemployed and economically inactive people move into or closer to the labour market. The organisations were asked to repay their grant funding as they had not complied with the terms of their grant funding. The organisations initially refused to refund their grant awards and were referred to the City of London Solicitor's Department for legal action to be taken to recover the funds. Creative Innovation and the Kimbanguist Association of London have agreed to settle their debts by paying monthly instalments. Negotiations continue to take place between London Councils' officers and Community Business Enfield.

9. The City of London's role in raising London Councils' debtor invoices is detailed in paragraph 4 of this report. For those debts that have reached the 42 day cut-off point, letters are prepared seeking immediate payment, otherwise London Councils will consider taking further action. The Finance Section undertakes prompt follow up action as soon as the debt is referred back by the Corporation.

### **Summary**

10. This report details the level of outstanding debt owed to London Councils from all sources as at 31 July 2017. This report also details the reduction in the level of outstanding debt due from boroughs, TfL and the GLA in the period to 31 December 2016.
11. A summary of the level of London Councils outstanding debts as at 31 July 2017 is shown in Table 1 below:

**Table 1- Summary of London Councils Outstanding Debts at 31 July 2017**

<b>Period</b>	<b>Borough / TfL / GLA Debts</b>	<b>Non-borough / TfL / GLA Debts</b>	<b>Total Debts</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Debts invoiced up to 31/12/2016	-	12	12
Debts invoiced between 1/1/2017 – 31/7/2017	2,836	466	3,302
<b>Total</b>	<b>2,836</b>	<b>478</b>	<b>3,314</b>

### **Recommendations**

12. The Executive is asked:

- To note that all borough, TfL and GLA debts raised up to 31 December 2016 and reported to the Executive at its meeting on 28 February 2017 have been paid;
- To note the level of outstanding debt of £2.836 million in respect of borough, TfL and GLA invoices raised in the period 1 January to 31 July 2017;
- To note the level of outstanding debt of £477,864.50 in relation to other debtors invoices raised up until 31 July 2017; and
- To note the specific action being taken in respect of significant debtors, as detailed in paragraph 5 and 8 of this report.

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### **Financial Implications for London Councils**

The financial implications are incorporated into the body of the report.

### **Legal Implications for London Councils**

None.

### **Equalities Implications for London Councils**

None.

### **Appendices**

Appendix A: Outstanding Borough/TfL/GLA debts invoiced from 1 January to 31 July 2017  
Appendix B: Outstanding Other Debts at 31 July 2017

### **Background Papers**

London Councils Debtors working papers 2017/18  
Report to Executive on 28 February 2017

Appendix A - Outstanding Borough/TfL/GLA debts invoiced from 1 January to 31 July 2017

Number	Customer Name	Customer Number	Transaction Date	Original Amount	Balance Due	Days Late	0-30 days	30-60 days	60-90 days	Over 90 days
4197771	LB of Barking & Dagenham	83338	22/05/2017	2,100.00	2,100.00	70			2,100.00	
4198649	LB of Barking & Dagenham	83338	05/06/2017	14,481.00	14,481.00	56		14,481.00		
4198806	LB of Barking & Dagenham	83338	07/06/2017	1,500.00	1,500.00	54		1,500.00		
4202323	LB of Barking & Dagenham	83338	26/07/2017	19,975.35	19,975.35	5	19,975.35			
	<b>LB of Barking &amp; Dagenham Total</b>			<b>38,056.35</b>	<b>38,056.35</b>		<b>19,975.35</b>	<b>15,981.00</b>	<b>2,100.00</b>	<b>0.00</b>
4199677	London Borough of Barnet	65237	19/06/2017	14,481.00	14,481.00	42		14,481.00		
4202324	London Borough of Barnet	65237	26/07/2017	40,263.44	40,263.44	5	40,263.44			
	<b>London Borough of Barnet Total</b>			<b>54,744.44</b>	<b>54,744.44</b>		<b>40,263.44</b>	<b>14,481.00</b>	<b>0.00</b>	<b>0.00</b>
4197773	London Borough of Bexley	82583	22/05/2017	2,100.00	2,100.00	70			2,100.00	
4198810	London Borough of Bexley	82583	07/06/2017	1,500.00	1,500.00	54		1,500.00		
4200561	London Borough of Bexley	82583	03/07/2017	53,517.00	53,517.00	28	53,517.00			
4202326	London Borough of Bexley	82583	26/07/2017	9,498.03	9,498.03	5	9,498.03			
	<b>London Borough of Bexley Total</b>			<b>66,615.03</b>	<b>66,615.03</b>		<b>63,015.03</b>	<b>1,500.00</b>	<b>2,100.00</b>	<b>0.00</b>
4195833	London Borough of Brent	80673	25/04/2017	7.48	7.48	97				7.48
4196543	London Borough of Brent	80673	04/05/2017	14,481.00	14,481.00	88			14,481.00	
4198812	London Borough of Brent	80673	07/06/2017	1,500.00	1,500.00	54		1,500.00		
4200380	London Borough of Brent	80673	28/06/2017	672.00	672.00	33		672.00		
4200562	London Borough of Brent	80673	03/07/2017	71,612.00	71,612.00	28	71,612.00			
4202327	London Borough of Brent	80673	26/07/2017	42,175.51	42,175.51	5	42,175.51			
	<b>London Borough of Brent Total</b>			<b>130,447.99</b>	<b>130,447.99</b>		<b>113,787.51</b>	<b>2,172.00</b>	<b>14,481.00</b>	<b>7.48</b>
4202328	London Borough of Bromley	78518	26/07/2017	13,922.12	13,922.12	5	13,922.12			
	<b>London Borough of Bromley Total</b>			<b>13,922.12</b>	<b>13,922.12</b>		<b>13,922.12</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
4197774	London Borough of Camden	73305	22/05/2017	2,100.00	2,100.00	70			2,100.00	
4200192	London Borough of Camden	73305	23/06/2017	10,000.00	10,000.00	38		10,000.00		
4200564	London Borough of Camden	73305	03/07/2017	53,278.00	53,278.00	28	53,278.00			
4201684	London Borough of Camden	73305	14/07/2017	11,686.00	11,686.00	17	11,686.00			
4202330	London Borough of Camden	73305	26/07/2017	48,706.53	48,706.53	5	48,706.53			
	<b>London Borough of Camden Total</b>			<b>125,770.53</b>	<b>125,770.53</b>		<b>113,670.53</b>	<b>10,000.00</b>	<b>2,100.00</b>	<b>0.00</b>
4197786	Croydon Council	71501	22/05/2017	2,100.00	2,100.00	70			2,100.00	
4200566	Croydon Council	71501	03/07/2017	83,772.00	83,772.00	28	83,772.00			
4200916	Croydon Council	71501	05/07/2017	45,352.00	45,352.00	26	45,352.00			
4201221	Croydon Council	71501	10/07/2017	1,506.42	1,506.42	21	1,506.42			
4202332	Croydon Council	71501	26/07/2017	22,328.05	22,328.05	5	22,328.05			
	<b>Croydon Council Total</b>			<b>155,058.47</b>	<b>155,058.47</b>		<b>152,958.47</b>	<b>0.00</b>	<b>2,100.00</b>	<b>0.00</b>
4197818	London Borough of Ealing	88277	22/05/2017	2,100.00	2,100.00	70			2,100.00	
4198827	London Borough of Ealing	88277	07/06/2017	1,500.00	1,500.00	54		1,500.00		
4200918	London Borough of Ealing	88277	05/07/2017	15,200.00	15,200.00	26	15,200.00			
4202334	London Borough of Ealing	88277	26/07/2017	32,054.87	32,054.87	5	32,054.87			
	<b>London Borough of Ealing Total</b>			<b>50,854.87</b>	<b>50,854.87</b>		<b>47,254.87</b>	<b>1,500.00</b>	<b>2,100.00</b>	<b>0.00</b>
4200919	London Borough of Enfield	95679	05/07/2017	13,864.00	13,864.00	26	13,864.00			
4202337	London Borough of Enfield	95679	26/07/2017	19,724.19	19,724.19	5	19,724.19			
	<b>London Borough of Enfield Total</b>			<b>33,588.19</b>	<b>33,588.19</b>		<b>33,588.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Number	Customer Name	Customer Number	Transaction Date	Original Amount	Balance Due	Days Late	0-30 days	30-60 days	60-90 days	Over 90 days
4198830	Royal Borough of Greenwich	124082	07/06/2017	1,500.00	1,500.00	54		1,500.00		
4199059	Royal Borough of Greenwich	124082	08/06/2017	14,481.00	14,481.00	53		14,481.00		
4200877	Royal Borough of Greenwich	124082	05/07/2017	27,905.75	27,905.75	26	27,905.75			
4200921	Royal Borough of Greenwich	124082	05/07/2017	4,800.00	4,800.00	26	4,800.00			
4202214	Royal Borough of Greenwich	124082	24/07/2017	10,000.00	10,000.00	7	10,000.00			
4202338	Royal Borough of Greenwich	124082	26/07/2017	7,230.98	7,230.98	5	7,230.98			
4202378	Royal Borough of Greenwich	124082	26/07/2017	324.00	324.00	5	324.00			
	<b>Royal Borough of Greenwich Total</b>			<b>66,241.73</b>	<b>66,241.73</b>		<b>50,260.73</b>	<b>15,981.00</b>	<b>0.00</b>	<b>0.00</b>
4197829	London Borough of Hackney	37291	22/05/2017	2,048.00	2,048.00	70			2,048.00	
4202342	London Borough of Hackney	37291	26/07/2017	26,781.18	26,781.18	5	26,781.18			
	<b>London Borough of Hackney Total</b>			<b>28,829.18</b>	<b>28,829.18</b>		<b>26,781.18</b>	<b>0.00</b>	<b>2,048.00</b>	<b>0.00</b>
4199055	L. B. Hammersmith and Fulham	101404	08/06/2017	14,481.00	14,481.00	53		14,481.00		
4199394	L. B. Hammersmith and Fulham	101404	14/06/2017	3,420.00	3,420.00	47		3,420.00		
4200583	L. B. Hammersmith and Fulham	101404	03/07/2017	39,653.00	39,653.00	28	39,653.00			
4200882	L. B. Hammersmith and Fulham	101404	05/07/2017	36,887.25	36,887.25	26	36,887.25			
4202343	L. B. Hammersmith and Fulham	101404	26/07/2017	46,430.78	46,430.78	5	46,430.78			
	<b>L. B. Hammersmith and Fulham Total</b>			<b>140,872.03</b>	<b>140,872.03</b>		<b>122,971.03</b>	<b>17,901.00</b>	<b>0.00</b>	<b>0.00</b>
4196754	London Borough of Haringey	79442	09/05/2017	9,776.00	9,776.00	83			9,776.00	
4198292	London Borough of Haringey	79442	31/05/2017	120.00	120.00	61			120.00	
4199398	London Borough of Haringey	79442	14/06/2017	3,420.00	3,420.00	47		3,420.00		
4200404	London Borough of Haringey	79442	28/06/2017	672.00	672.00	33		672.00		
4202347	London Borough of Haringey	79442	26/07/2017	36,559.83	36,559.83	5	36,559.83			
	<b>London Borough of Haringey Total</b>			<b>50,547.83</b>	<b>50,547.83</b>		<b>36,559.83</b>	<b>4,092.00</b>	<b>9,896.00</b>	<b>0.00</b>
4199406	London Borough of Harrow	79451	14/06/2017	14,481.00	14,481.00	47		14,481.00		
4200590	London Borough of Harrow	79451	03/07/2017	54,620.00	54,620.00	28	54,620.00			
4202348	London Borough of Harrow	79451	26/07/2017	27,268.68	27,268.68	5	27,268.68			
	<b>London Borough of Harrow Total</b>			<b>96,369.68</b>	<b>96,369.68</b>		<b>81,888.68</b>	<b>14,481.00</b>	<b>0.00</b>	<b>0.00</b>
4198902	London Borough of Havering	67402	07/06/2017	1,500.00	1,500.00	54		1,500.00		
4199064	London Borough of Havering	67402	08/06/2017	14,481.00	14,481.00	53		14,481.00		
4200887	London Borough of Havering	67402	05/07/2017	19,128.25	19,128.25	26	19,128.25			
4202350	London Borough of Havering	67402	26/07/2017	14,599.48	14,599.48	5	14,599.48			
	<b>London Borough of Havering Total</b>			<b>49,708.73</b>	<b>49,708.73</b>		<b>33,727.73</b>	<b>15,981.00</b>	<b>0.00</b>	<b>0.00</b>
4195784	London Borough of Hillingdon	71486	24/04/2017	37,567.20	37,567.20	98				37,567.20
4202351	London Borough of Hillingdon	71486	26/07/2017	13,271.14	13,271.14	5	13,271.14			
	<b>London Borough of Hillingdon Total</b>			<b>50,838.34</b>	<b>50,838.34</b>		<b>13,271.14</b>	<b>0.00</b>	<b>0.00</b>	<b>37,567.20</b>
4200383	London Borough of Hounslow	67448	28/06/2017	1,344.00	1,344.00	33		1,344.00		
4202352	London Borough of Hounslow	67448	26/07/2017	22,029.46	22,029.46	5	22,029.46			
	<b>London Borough of Hounslow Total</b>			<b>23,373.46</b>	<b>23,373.46</b>		<b>22,029.46</b>	<b>1,344.00</b>	<b>0.00</b>	<b>0.00</b>
4199060	London Borough of Islington	5693	08/06/2017	14,481.00	14,481.00	53		14,481.00		
4200889	London Borough of Islington	5693	05/07/2017	24,627.75	24,627.75	26	24,627.75			
4200930	London Borough of Islington	5693	05/07/2017	16,000.00	16,000.00	26	16,000.00			
4202355	London Borough of Islington	5693	26/07/2017	39,802.23	39,802.23	5	39,802.23			
	<b>London Borough of Islington Total</b>			<b>94,910.98</b>	<b>94,910.98</b>		<b>80,429.98</b>	<b>14,481.00</b>	<b>0.00</b>	<b>0.00</b>
4199042	Royal Borough of Kensington & Chelsea	111455	08/06/2017	14,481.00	14,481.00	53		14,481.00		
4199427	Royal Borough of Kensington & Chelsea	111455	14/06/2017	3,420.00	3,420.00	47		3,420.00		
4200892	Royal Borough of Kensington & Chelsea	111455	05/07/2017	51,802.00	51,802.00	26	51,802.00			
4202361	Royal Borough of Kensington & Chelsea	111455	26/07/2017	44,607.56	44,607.56	5	44,607.56			

Number	Customer Name	Customer Number	Transaction Date	Original Amount	Balance Due	Days Late	0-30 days	30-60 days	60-90 days	Over 90 days
4202775	Royal Borough of Kensington & Chelsea	111455	31/07/2017	10,000.00	10,000.00	0	10,000.00			
	<b>Royal Borough of Kensington &amp; Chelsea Total</b>			<b>124,310.56</b>	<b>124,310.56</b>		<b>106,409.56</b>	<b>17,901.00</b>	<b>0.00</b>	<b>0.00</b>

Number	Customer Name	Customer Number	Transaction Date	Original Amount	Balance Due	Days Late	0-30 days	30-60 days	60-90 days	Over 90 days
4200935	Royal Borough of Kingston	75215	05/07/2017	15,976.00	15,976.00	26	15,976.00			
4202362	Royal Borough of Kingston	75215	26/07/2017	25,239.23	25,239.23	5	25,239.23			
4202690	Royal Borough of Kingston	75215	31/07/2017	3,420.00	3,420.00	0	3,420.00			
4202778	Royal Borough of Kingston	75215	31/07/2017	3,420.00	3,420.00	0	3,420.00			
<b>Royal Borough of Kingston Total</b>				<b>48,055.23</b>	<b>48,055.23</b>		<b>48,055.23</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
4197819	London Borough of Lambeth	3330	22/05/2017	2,100.00	2,100.00	70			2,100.00	
4199554	London Borough of Lambeth	3330	16/06/2017	256,340.00	256,340.00	45		256,340.00		
4200604	London Borough of Lambeth	3330	03/07/2017	71,704.00	71,704.00	28	71,704.00			
4200895	London Borough of Lambeth	3330	05/07/2017	5,344.50	5,344.50	26	5,344.50			
4200936	London Borough of Lambeth	3330	05/07/2017	23,784.00	23,784.00	26	23,784.00			
4201163	London Borough of Lambeth	3330	10/07/2017	7,798.05	7,798.05	21	7,798.05			
4202366	London Borough of Lambeth	3330	26/07/2017	44,517.53	44,517.53	5	44,517.53			
<b>London Borough of Lambeth Total</b>				<b>411,588.08</b>	<b>411,588.08</b>		<b>153,148.08</b>	<b>256,340.00</b>	<b>2,100.00</b>	<b>0.00</b>
4200896	London Borough of Lewisham	39651	05/07/2017	27,664.75	27,664.75	26	27,664.75			
4200938	London Borough of Lewisham	39651	05/07/2017	13,688.00	13,688.00	26	13,688.00			
4202367	London Borough of Lewisham	39651	26/07/2017	12,597.19	12,597.19	5	12,597.19			
<b>London Borough of Lewisham Total</b>				<b>53,949.94</b>	<b>53,949.94</b>		<b>53,949.94</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
4200929	City of London	5408	05/07/2017	747.75	747.75	26	747.75			
4202413	City of London	5408	26/07/2017	14,673.22	14,673.22	5	14,673.22			
<b>City of London Total</b>				<b>15,420.97</b>	<b>15,420.97</b>		<b>15,420.97</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
4202376	London Borough of Merton	65185	26/07/2017	17,113.18	17,113.18	5	17,113.18			
<b>London Borough of Merton Total</b>				<b>17,113.18</b>	<b>17,113.18</b>		<b>17,113.18</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
4195713	London Borough of Newham	54574	21/04/2017	3,420.00	3,420.00	101				3,420.00
4196037	London Borough of Newham	54574	26/04/2017	42,299.00	42,299.00	96				42,299.00
4197534	London Borough of Newham	54574	17/05/2017	104,844.00	104,844.00	75			104,844.00	
4200607	London Borough of Newham	54574	03/07/2017	73,559.00	73,559.00	28	73,559.00			
4200905	London Borough of Newham	54574	05/07/2017	28,995.00	28,995.00	26	28,995.00			
4202390	London Borough of Newham	54574	26/07/2017	48,146.38	48,146.38	5	48,146.38			
4202419	London Borough of Newham	54574	26/07/2017	24,000.00	24,000.00	5	24,000.00			
<b>London Borough of Newham Total</b>				<b>325,263.38</b>	<b>325,263.38</b>		<b>174,700.38</b>	<b>0.00</b>	<b>104,844.00</b>	<b>45,719.00</b>
4200908	London Borough of Redbridge	87468	05/07/2017	4,411.25	4,411.25	26	4,411.25			
4202393	London Borough of Redbridge	87468	26/07/2017	28,982.67	28,982.67	5	28,982.67			
<b>London Borough of Redbridge Total</b>				<b>33,393.92</b>	<b>33,393.92</b>		<b>33,393.92</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
4197823	LB of Richmond Upon Thames	92507	22/05/2017	2,100.00	2,100.00	70			2,100.00	
4198879	LB of Richmond Upon Thames	92507	07/06/2017	1,500.00	1,500.00	54		1,500.00		
4200288	LB of Richmond Upon Thames	92507	26/06/2017	3,420.00	3,420.00	35		3,420.00		
4200552	LB of Richmond Upon Thames	92507	30/06/2017	39,537.00	39,537.00	31		39,537.00		
4200609	LB of Richmond Upon Thames	92507	03/07/2017	43,039.00	43,039.00	28	43,039.00			
4200909	LB of Richmond Upon Thames	92507	05/07/2017	25,623.50	25,623.50	26	25,623.50			
4200940	LB of Richmond Upon Thames	92507	05/07/2017	8,240.00	8,240.00	26	8,240.00			
4202394	LB of Richmond Upon Thames	92507	26/07/2017	12,890.82	12,890.82	5	12,890.82			
<b>LB of Richmond Upon Thames Total</b>				<b>136,350.32</b>	<b>136,350.32</b>		<b>89,793.32</b>	<b>44,457.00</b>	<b>2,100.00</b>	<b>0.00</b>
4202396	London Borough of Southwark	8589	26/07/2017	22,191.24	22,191.24	5	22,191.24			
<b>London Borough of Southwark Total</b>				<b>22,191.24</b>	<b>22,191.24</b>		<b>22,191.24</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
4200912	London Borough of Sutton	39800	05/07/2017	5,896.50	5,896.50	26	5,896.50			
4202399	London Borough of Sutton	39800	26/07/2017	4,233.62	4,233.62	5	4,233.62			
<b>London Borough of Sutton Total</b>				<b>10,130.12</b>	<b>10,130.12</b>		<b>10,130.12</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Number	Customer Name	Customer Number	Transaction Date	Original Amount	Balance Due	Days Late	0-30 days	30-60 days	60-90 days	Over 90 days
4200614	London Borough Tower Hamlets	9237	03/07/2017	65,253.00	65,253.00	28	65,253.00			
4200917	London Borough Tower Hamlets	9237	05/07/2017	39,449.25	39,449.25	26	39,449.25			
4202405	London Borough Tower Hamlets	9237	26/07/2017	29,455.73	29,455.73	5	29,455.73			
<b>London Borough Tower Hamlets Total</b>				<b>134,157.98</b>	<b>134,157.98</b>		<b>134,157.98</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
4195845	London Borough of Waltham Forest	39794	25/04/2017	7.31	7.31	97				7.31
4196024	London Borough of Waltham Forest	39794	26/04/2017	32,566.57	32,566.57	96				32,566.57
4200378	London Borough of Waltham Forest	39794	28/06/2017	336.00	336.00	33		336.00		
4200424	London Borough of Waltham Forest	39794	28/06/2017	1,677.86	1,677.86	33		1,677.86		
4200920	London Borough of Waltham Forest	39794	05/07/2017	2,918.00	2,918.00	26	2,918.00			
4202410	London Borough of Waltham Forest	39794	26/07/2017	35,243.98	35,243.98	5	35,243.98			
<b>London Borough of Waltham Forest Total</b>				<b>72,749.72</b>	<b>72,749.72</b>		<b>38,161.98</b>	<b>2,013.86</b>	<b>0.00</b>	<b>32,573.88</b>
4194528	London Borough of Wandsworth	93501	05/04/2017	14,481.00	14,481.00	117				14,481.00
4202411	London Borough of Wandsworth	93501	26/07/2017	25,691.24	25,691.24	5	25,691.24			
<b>London Borough of Wandsworth Total</b>				<b>40,172.24</b>	<b>40,172.24</b>		<b>25,691.24</b>	<b>0.00</b>	<b>0.00</b>	<b>14,481.00</b>
4199038	City of Westminster	65194	08/06/2017	14,481.00	14,481.00	53		14,481.00		
4200617	City of Westminster	65194	03/07/2017	53,552.00	53,552.00	28	53,552.00			
4202412	City of Westminster	65194	26/07/2017	52,297.23	52,297.23	5	52,297.23			
<b>City of Westminster Total</b>				<b>120,330.23</b>	<b>120,330.23</b>		<b>105,849.23</b>	<b>14,481.00</b>	<b>0.00</b>	<b>0.00</b>
4200113	Greater London Authority	402282	22/06/2017	95,665.28	95,665.28	39		95,665.28		
4200119	Greater London Authority	402282	22/06/2017	190,046.19	190,046.19	39		190,046.19		
<b>Greater London Authority Total</b>				<b>285,711.47</b>	<b>285,711.47</b>		<b>0.00</b>	<b>285,711.47</b>	<b>0.00</b>	<b>0.00</b>
4198900	Transport For London	382905	07/06/2017	1,500.00	1,500.00	54		1,500.00		
4202415	Transport For London	382905	26/07/2017	114,019.77	114,019.77	5	114,019.77			
<b>Transport For London Total</b>				<b>115,519.77</b>	<b>115,519.77</b>		<b>114,019.77</b>	<b>1,500.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total</b>				<b>3,237,158.30</b>	<b>3,237,158.30</b>		<b>2,208,541.41</b>	<b>752,299.33</b>	<b>145,969.00</b>	<b>130,348.56</b>

**Appendix B - Outstanding Other Debts at 31 July 2017**

Number	Customer Name	Customer Number	Transaction Date	Original Amount	Balance Due	Days Late
4117848	Andrew Amuwat	576747	17/03/2014	3,204.39	250.00	1,232
<b>2013/14 debts</b>				<b>3,204.39</b>	<b>250.00</b>	
4129152	Community Business Enfield	577767	10/09/2014	6,249.82	6,249.82	1,055
4140378	Kimbanguist Association of London	583505	16/03/2015	6,009.50	5,256.00	868
<b>2014/15 debts</b>				<b>12,259.32</b>	<b>11,505.82</b>	
4197937	Homes for Haringey Ltd	509308	25/05/2017	2,100.00	2,100.00	67
<b>2017/18 debts over 60 days</b>				<b>2,100.00</b>	<b>2,100.00</b>	
4199082	East Riding of Yorkshire Council	485459	08/06/2017	324.00	324.00	53
4199401	Peterborough City Council	577052	14/06/2017	14,481.00	14,481.00	47
4199402	Oxfordshire County Council	483483	14/06/2017	14,481.00	14,481.00	47
4200232	Department for Communities & Local Government	513151	23/06/2017	280.20	280.20	38
4200372	Lee Valley Park Regional Authority	563669	28/06/2017	2,000.00	2,000.00	33
4200381	Doncaster Borough Council	425648	28/06/2017	336.00	336.00	33
4200554	Agilisys Ltd	577354	30/06/2017	458.40	458.40	31
4200555	London Safeguarding Children Board	577978	30/06/2017	199.80	199.80	31
4200556	London Safeguarding Children Board	577978	30/06/2017	199.80	199.80	31
4200557	East Sussex County Council	82316	30/06/2017	258.60	258.60	31
<b>2017/18 debts over 30 days</b>				<b>33,018.80</b>	<b>33,018.80</b>	
4201172	Bournemouth University	481054	10/07/2017	936.00	936.00	21
4201173	Bournemouth University	481054	10/07/2017	900.00	900.00	21
4201174	Department for Communities & Local Government	513151	10/07/2017	280.20	280.20	21
4201178	Thames Water Utilities Ltd	9121	10/07/2017	1,044.00	1,044.00	21
4201193	Clear Channel UK Limited	449974	10/07/2017	2,000.00	2,000.00	21
4201218	London Waste & Recycling Board	550109	10/07/2017	201.30	201.30	21
4201349	ADEPT	589951	11/07/2017	238.50	238.50	20
4201697	Poplar Harca	430662	14/07/2017	240.00	240.00	17
4201698	Poplar Harca	430662	14/07/2017	816.00	816.00	17
4201730	Electrical Safety First	577947	17/07/2017	256.50	256.50	14
4201737	ADEPT	589951	17/07/2017	274.50	274.50	14
4201785	Doncaster Children's Services Trust Ltd	589997	17/07/2017	2,400.00	2,400.00	14
4201982	The Bridge Integrated Learning Space	590009	19/07/2017	460.00	460.00	12
4201987	The Bridge School	523975	19/07/2017	460.00	460.00	12
4201999	Oxygen Finance Ltd	575294	19/07/2017	2,797.64	2,797.64	12
4202204	London ADASS	584888	24/07/2017	7,299.00	7,299.00	7
4202205	Venue Options Ltd	590015	24/07/2017	525.60	525.60	7
4202211	South East Employer's Organisation	467145	24/07/2017	498.00	498.00	7
4202222	London Waste & Recycling Board	550109	24/07/2017	981.00	981.00	7
4202225	Association for Public Service Excellence (LG)	577189	24/07/2017	1,500.00	1,500.00	7
4202346	London LGPS CIV Limited	586448	26/07/2017	2,600.00	2,600.00	5
4202353	London Waste & Recycling Board	550109	26/07/2017	252.00	252.00	5
4202360	Bournemouth University	481054	26/07/2017	936.00	936.00	5
4202364	Thames Water Utilities Ltd	9121	26/07/2017	1,048.20	1,048.20	5
4202371	Electrical Safety First	577947	26/07/2017	256.50	256.50	5
4202381	East Sussex County Council	82316	26/07/2017	272.70	272.70	5
4202777	Newcastle City Council	590096	31/07/2017	285.00	285.00	0
<b>2017/18 debts 30 days or less</b>				<b>29,758.64</b>	<b>29,758.64</b>	
<b>Total other debts at 31 July 2017</b>				<b>80,341.15</b>	<b>76,633.26</b>	





# Nominations to Outside Bodies

## **Background**

1. In 2002, London Councils' Elected Officers, acting in their capacity as its Appointments Panel, agreed to delegate the making of nominations to outside bodies to the Chief Executive within agreed guidelines and on Nolan principles and on the basis that they were reported to the next available meeting of the Appointments Panel. The guidelines were refined in 2012 with a fresh set of principles.

## **Nominations**

2. The Chief Executive has made the appointments listed in the appendix on the advice of the Transport and Environment Committee.

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## **Financial Implications:**

Where remunerated, payments are made by the appointing body and there are, therefore, no financial implications arising directly from this report.

## **Legal Implications:**

In making appointments London Councils complies with relevant legislation. It also seeks to comply with the 'Nolan' Seven Principles of Public Life.

## **Recommendations:**

The Executive is recommended to note the new nominations/appointments made by the Chief Executive on behalf of London Councils.

### **Nominations to TEC Outside Bodies for 2017/18**

#### 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)

*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)

#### London Electric Vehicle Partnership (LEVP)

No nominations are needed as this partnership no longer convenes.

#### Urban Design London (UDL)

Cllr Daniel Moylan (RB Kensington & Chelsea)

Cllr Nigel Haselden (LB Lambeth)

#### Thames and London Waterways Forum

1 Labour nomination – To follow

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 City Airport Consultative Committee (LCACC)

1 Labour vacancy – To follow

#### London Waste & Recycling Board

Cllr Bassam Mahfouz (LB Ealing – Labour)

Cllr Nicholas Paget-Brown (RB Kensington & Chelsea – Conservative)

2 x Labour representatives to be advised on 7 October 2016

#### London Cycling Campaign (LCC)

Cllr Feryal Demirci (LB Hackney)