

Leaders' Committee

Summaries and Minutes

Item no: 10

Report by: Derek Gadd **Job title:** Head of Governance
Date: 6th February 2018
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Summary Summaries of the minutes of London Councils

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

- Pensions – 13 September 2017
- GLPC – 19 October 2017
- TEC Executive Sub Committee – 16 November 2017
- Grants Committee – 22 November 2017
- Capital Ambition – 13 December 2017
- Executive – 16 January 2018

Pensions CIV Sectoral Joint Committee (PSJC)

13 September 2017

Minutes of a meeting of the Pensions CIV Sectoral Joint Committee held on Wednesday 13 September 2017 at 10:30am in the Conference Suite, London Councils, 59½ Southwark Street, London SE1 0AL

Present:

City of London	Sir Mark Boleat (Chair)
Barking and Dagenham	-
Barnet	Cllr Mark Shooter
Bexley	Cllr Louie French
Brent	Cllr Sharfique Choudhary
Bromley	Cllr Russell Mellor (Deputy)
Camden	Cllr Rishi Madhani
Croydon	-
Ealing	Cllr Yvonne Johnson
Enfield	Cllr Toby Simon
Greenwich	-
Hackney	Cllr Robert Chapman
Hammersmith and Fulham	Cllr Iain Cassidy
Haringey	-
Havering	-
Harrow	Cllr Nitin Parekh
Hillingdon	Cllr Philip Corthorne
Hounslow	-
Islington	Cllr Richard Greening
Kensington and Chelsea	Cllr David Lindsay
Kingston Upon Thames	Cllr Andrew Day
Lambeth	Cllr Iain Simpson
Lewisham	Cllr Mark Ingleby
Merton	-
Newham	Cllr Forhad Hussain
Redbridge	-
Richmond Upon Thames	-
Southwark	Cllr Fiona Colley
Sutton	Cllr Sunita Gordon
Tower Hamlets	Cllr Clare Harrison
Waltham Forest	-
Wandsworth	Cllr Maurice Heaster
City of Westminster	Cllr Suhail Rahuja

Apologies:

Bromley	Cllr Keith Onslow
Croydon	Cllr Simon Hall
Havering	Cllr John Crowder
Hounslow	Cllr Mukesh Malhotra
Merton	Cllr Philip Jones
Redbridge	Cllr Elaine Norman
Richmond Upon Thames	Cllr Thomas O'Malley
Southwark	Cllr Fiona Colley

Officers of London Councils were in attendance as were Hugh Grover (CEO, London CIV), Julian Pendock (CIO, London CIV), Brian Lee (COO, London CIV), Ian Williams (Chair of IAC), and Jill Davys (Client Relations Director (CRD), London CIV)

1. Announcement of Deputies

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

2. Declarations of Interest

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

3. Minutes of the Pensions CIV Sectoral Joint Committee AGM held on 12 July 2017

- 3.1. The following amendments to the minutes were made:
- *Paragraph 15.2 (page 7) – Councillor Johnson said that it was agreed to follow the voting “alerts” (not “rights”).*
 - *Paragraph 15.2 (page 6/7) – Councillor Greening said that the adoption of alerts sentence needed to be strengthened.*
 - *Paragraph 15.2 (page 7) – Councillor French said that a mechanism needed to be in place “to ensure fund managers were not being provided with mixed instructions on how to proceed with shareholder voting. He said that some boroughs had previously delegated ESG matters to the fund manager in their individual investment strategies, whereas the CIV dictates that LAPFF voting policies be followed.”*

4. CEO’s Report

- 4.1. The CEO introduced the report. He informed members that in the KPI column for “Operating Cost” (page 12 of the report) the figures in “End July Forecast” (£931,311) and “End of July Actual” (£1,203,071) needed to be swapped around as they were in the wrong row. The KPIs were broadly on target.
- 4.2. Cllr Johnson thanked Jill Davys, Client Relations Director, who was leaving LCIV, for all her contributions to the CIV and wished her all the best for the future, as did all of the PSJC.
- 4.3. The CEO said that recruiting consultants previously had taken longer than anticipated. He said that it was disappointing to lose key members of staff. A replacement was also being sought for Dominique Kobler, the previous Chief Risk Officer, who had only been with the LCIV for a short period of time.
- 4.4. The CEO informed members that some people putting themselves forward for recruitment were not currently employed, and could take up the posts quickly, should they be successful.

- 4.5. The CEO said that Jill Davys had carried out a great deal of good work during her time working at the LCIV and her loss was a blow. Interviewing to find a replacement for Jill would be taking place shortly, with four potential contenders currently being considered. The CEO reassured the Committee that a high quality replacement would be recruited to the position.
- 4.6. Councillor Madlani voiced concern at recruiting staff that were not currently working in the market, especially with regards to ensuring that they were still FCA regulated. He said that there were concerns at losing a CRO and CRD and a potential loss of diversity.
- 4.7. Councillor Greening asked how many women there would be in the Senior Management Team. Councillor French said that the successful candidates needed to be able to perform the job well, regardless of their gender or background. The CEO said that he could bring a note on diversity to the next Committee meeting in December 2017. He informed members that there were currently three senior members of the team who were women. Councillor Heaster asked how many women were represented on the CIV Board. The CEO confirmed that there were currently two women on the Board.
- 4.10. The following comments were made about the Ministerial letter that could be found on page 17 of the report:
- The Chair said that the ministerial letter stated that all funds must participate in to a pool.
 - Councillor Greening said that these were not Central Government assets. He said that he agreed with the issue of infrastructure funding.
 - Councillor Johnson said that most borough officers were in disagreement with the contents of the letter and disliked the tone. She said that the LCIV was different from other pension “pools”. Councillor Johnson said that it was borough money being used after all.
 - Councillor Simon asked how minimum risk could be presented. He said that other pools were pooling all their equities together. There was also no current infrastructure plan. Councillor Simon said that the LCIV was not locked into private equity for the long-term. The LCIV had hedge funds that few other organisations in London had and issues like these needed to be pointed out to the Government.
 - Councillor Parekh asked if a response would be written to the Ministerial letter.
 - Councillor Rahuja said that not enough assets had been transferred yet. He emphasised the need to save taxpayers’ money, as a great deal was wasted on fees to fund managers. There were two separate issues: (a) ensuring the asset class choice was the right one (competition), and (b) the transition of

assets in to the CIV - how quickly the CIV could provide choices. Councillor Rahuja felt that the Ministerial letter was badly phrased.

- The Chair said that the objective was to reduce fund agent costs. A general response needed to be made to the letter, emphasising the various points made. The regulatory burden had also been far greater than anticipated and these had taken up the majority of the cost savings, and had slowed down creating the funds. Choice was also very important. The Chair said he would go back to the City of London and raise some of the questions asked.
- Councillor Simon said that the Government wanted a response in October 2017, and asked whether the PSJC could see a draft of this response before it was sent out. The CEO confirmed that Jill Davys would circulate a draft of this letter to the PSJC. The Chair said that a separate discussion on this needed to be had, as quite a lot of thinking was required on the issue beforehand.

4.11. The Chair confirmed that the Governance Review had already started, with the meeting of the Governance Review Steering Committee (GRSC) on 6 September 2017. Councillor Johnson informed members that the survey would be sent to the PSJC, via email, at the end of September/early October. The CEO said that he would send out a letter that on behalf of Willis Tower Watson within the next few days.

4.12. Councillor Madlani asked whether the PSJC could see the Governance Review report before it went to London Councils' Leaders Committee. The CEO assured members that this would be the case.

4.13. The Committee:

- Agreed that the CEO would bring in a note regarding the diversity of the LCIV to the next PSJC meeting in December 2017.
- Noted that a separate discussion would take place before a response to the Ministerial letter was made. The PSJC would see a draft of the response before it was sent out. Jill Davys would be responsible for drafting the initial response.
- Noted that a survey of the Governance Review would be sent to the PSJC, via email, by end of September/early October 2017, for members to complete.
- Noted that the PSJC would have sight of the Governance Review report before it went to Leaders' Committee.

5. Finance Report

5.1. The COO introduced the report that provided Committee with a finance update on delivery against the 2017/18 business plan and MTFS. The following comments were made:

- Councillor Simpson asked if cash flow and balance sheet report could be incorporated into future Finance reports. The COO confirmed that these would be reported at the next PSJC in December 2017.
- Councillor Shooter queried the £29,000 interest costs in the “opening defined benefit obligation” table on page 25 of the report. The COO confirmed that this was a notional cost of interest.
- Councillor Shooter asked about the costs of transferring pensions from the public/private sectors when joining LCIV. The CEO said that a report on 22 September would look into this and the choices to be made – (a) to continue offer the LGPS to all new staff joining or if already an LGPS member to join the “pot”, and (b) if previously from the private sector to offer them an LGPS pension. The CEO said that offering the LGPS pension was an attraction, especially in light of the fact that LCIV was already paying lower market rates for recruitment.
- The CEO said that there was an underspend in some areas of the recruiting and resources budget. He said that there was an option to get FTC consultants in place.
- The Committee noted the report and that cash flow and balance sheet would be reported in the Finance report at the PSJC in December 2017

6. Fund Performance Report

6.1. The CIO introduced the report and made the following comments:

- LCIV MJ UK Equity (Majedie) had only been in operation for a few weeks.
- LCIV Global Equity Alpha (Allianz) – looking to rotate moving out of funds
- Other funds performing well, with the exception of LCIV NW Global Equity (Newton)

6.2 The Committee noted the report.

7. Fund Launch Progress

7.1. The COO introduced the report and the following comments were made:

- Councillor Johnson asked if some further updates could be given on the “Fund Launch Pipeline August 2017” table (page 84). The COO confirmed that this had been updated recently (Longview and Henderson). The CIO said that funds in the table were new – EPOCH currently had no initial £AUM commitments.
- The CIO said that it was not economically viable to open funds that were currently empty. A paper on Infrastructure would be sent to members and a firm steer was needed on this.
- Councillor Rahuja said that Westminster had concerns with Longview Global Equity regarding their fees in general, including a transition charge that they were now requesting. No money had been transferred to Longview as a result of this.

- Councillor French asked about the costs for setting up funds that remained empty. The COO confirmed that the third party set-up costs could be between £30k to £40k depending on the type of fund, although there were no day-to-day costs attributed to this.
- The COO said that there were no costs attributed to a fund that had not been opened. If the FCA was not content after 6 months, they could look to close the fund. Councillor Greening said that a model was needed for boroughs to have a choice on transferring funds.
- Councillor Madlani asked when LCIV would have the first structures in place regarding Infrastructure. The CIO confirmed that the Infrastructure Working Group was coming together and negotiations were taking place with the LGPS (Hermes/JP Morgan)
- Councillor Johnson asked if there was a timetable for when Infrastructure would be rolled out, as this appeared to be stalling at the moment. She said that she understood that there were issues regarding regulation, but did not know how long this would take. The CEO said that the plan that was in place last year had been revisited and Fixed Incomes had been brought forward over Infrastructure. This could be separated out of the business plan.
- The CEO said it would be beneficial if boroughs could send LCIV details of their investment strategies, as talking to individual boroughs was very resource intensive.

The Committee noted the report.

8. Investment Advisory Committee Update

- 8.1. The Chair of the IAC introduced the report and said that the IAC continued to work closely with LCIV on a wide range of investment related projects.
- 8.2. The Committee noted the report

9. Quarterly Client Engagement and Stakeholder Report

- 9.1. The Client Relations Director, LCIV, introduced the report and informed Committee that a new Global Equity Manager Session II meeting was taking place today.
- 9.2. The Committee noted the report.

10. MiFID Update Report

- 10.1. The CEO introduced the report, which gave an update on the MiFID and to opt up LGPS from retail to professional status. The following comments were made:
- 10.2. Engagement with officers was currently taking place, and boroughs needed to have opted up with all of their providers. The LGA had produced a useful template, which needed to be completed and given to fund managers. Boroughs needed to give their completed forms to LCIV as soon as possible. If

there was any change to borough commitments (eg because of local elections in 2018), then the opt-up process would have to be repeated.

10.3. The Committee noted the report and the urgency in completing the LGA template and passing this to LCIV.

11. Variations of Permissions

11.1. The COO introduced the report and said that Committee approval was now needed to seek agreement to LCIV applying to the FCA for a Variation of Permissions.

11.2. The Committee agreed that LCIV proceed to prepare a resolution for shareholder approval to extend the activity of the Company to manage both authorised and unauthorised Alternative Investment Funds (AIFs).

The meeting closed at 11:45am

Leaders' Committee

Report from the Greater London Provincial Council – 19 October 2017

Item no:

Report by: Steve Davies **Job title:** Head of London Regional Employers' Organisation
Date: 6 February 2018
Contact Officer: Steve Davies
Telephone: 020 7934 9963 **Email:** steve.davies@londoncouncils.gov.uk

Summary: Summary of the minutes of the Greater London Provincial Council held on 19 October 2017

Recommendations: For information.

1. **Attendance: Employers Side:** Cllr Colin Tandy (Bexley), Cllr Ian Payne (Bromley), Cllr Simon Hall (Croydon), Cllr Carole Williams (Hackney), Cllr Kevin Bonavia (Lewisham), Cllr Simon Wales (Sutton), Cllr Clyde Loakes (Waltham Forest), Cllr Angela Harvey (Westminster). **Union Side:** Helen Reynolds (UNISON), April Ashley (UNISON), Kim Silver (UNISON), Sue Plain (UNISON), Gloria Hanson (UNISON), Maggie Griffin (UNISON), Simon Steptoe (UNISON), Sean Fox (UNISON), Mary Lancaster (UNISON), Dave Powell (GMB), Jonathon Coles (GMB), Wendy Whittington (GMB), Wayne Osbwick (Sub GMB), Danny Hoggan (Unite), Susan Matthews (Unite). **Others in attendance** Steve Davies (Head of London Regional Employers), Debbie Williams (Employment Services Officer), Mehboob Khan (Labour Political Advisor) and Julie Kelly (UNISON).
2. **Apologies for Absence:** Apologies for absence were received from Cllr Doug Taylor (Enfield), Cllr David Lindsay (Kensington & Chelsea), Cllr David Glasspool (Kingston), Cllr Asim Mahmood (Waltham Forest), Gary Cummins (Unite), Kath Smith (Unite), Jane Gosnell (Unite) and Onay Kasab (Unite).
3. **Election of Chair and Vice-Chair for 2017-18:** Danny Hoggan (Unite) was elected Chair and Cllr Doug Taylor (Enfield) was elected as Vice Chair for 2017-18.
4. **Minutes of the Meeting held on 9 March 2017:** The minutes of the meeting held on 9 March 2017 were agreed.
5. **Matters Arising:** There were no matters arising from the minutes of the 9 March 2017.
6. **To Confirm the Membership of the GLPC and Co-Secretaries of the GLPC:** Below is the membership of the GLPC and Co-Secretaries for 2017-18 was noted and agreed.

It was noted that Cllr David Lindsay replaces Cllr Gerard Hargreaves for RB Kensington & Chelsea.

Sue Plain (UNISON) announced that this will be last GLPC meeting for Dave Powell (GMB) who will be retiring on 30 April 2018.

The Employers' Side gave thanks to Dave for all the hard work and support he has given to the GLPC, GLEF and being part of the Joint Secretaries over the years and wished him well in his retirement.

It was noted that Vaughan West (GMB) would be replacing Dave Powell.

7. GLPC Membership 2017/18: Employers' Side Cllr Cameron Geddes, (Barking & Dagenham) Cllr Colin Tandy (Bexley) Cllr Ian Payne (Bromley), Cllr Theo Blackwell (Camden), Cllr Simon Hall (Croydon), Cllr Doug Taylor (Enfield), Cllr Carole Williams (Hackney), Cllr Ajwer Grewal (Hounslow), Cllr David Lindsay (Kensington & Chelsea), Cllr David Glasspool (Kingston), Cllr Imogen Walker (Lambeth), Cllr Kevin Bonavia (Lewisham), Cllr Simon Wales (Sutton), Cllr Clyde Loakes (Waltham Forest) and Cllr Angela Harvey (Westminster)

Union Side

UNISON: Helen Reynolds, April Ashley, Kim Silver, Gloria Hanson, Sue Plain, Maggie Griffin, Sean Fox, Mary Lancaster, Simon Steptoe and Julie Kelly

GMB: Penny Robinson, Wendy Whittington, Euton Stewart, Peter Murphy and Dave Powell

UNITE: Onay Kasab, Gary Cummins, Danny Hoggan, Kath Smith, Susan Matthews and Jane Gosnell (Reserve)

Co-Secretaries: Helen Reynolds and Steve Davies

8. NJC Pay and Implications for London: Steve Davies, Employers' Side Joint Secretary informed colleagues of the following:

- The National Living Wage (NLW) is driving increases at the bottom of the pay scale.
- National Employers' are considering a review of the pay spine and a technical working group with the Trade Unions has been set up. From a London perspective we have had involvement in this working group.
- We appreciate the Trade Unions submitted their claim back in June for a 5% increase.
- Some of the pay modelling has identified that a 1% increase on the pay bill is not sufficient to deal with the increases of the NLW.
- Since the general election there has been a lot more information in the media and politically about public sector pay but we have some implications for the London pay spine.
- The National Employers' Side are waiting to hear what the Chancellor's Statement will be before an offer is made to the Trade Unions.
- In London at this point of time we have not got the pressures as they have nationally due to the London Living Wage (LLW). Regardless we will need to take in to account what happens nationally at NJC level.

Cllr Angela Harvey (Westminster) reiterated that there is no clear picture at present so we will have to wait and see what the National Employers' Side are likely to come back to the Unions with post the budget announcement.

Cllr Kevin Bonavia (Lewisham) informed colleagues that Lewisham's position is it supports the pay claim in principle. The Leader of Lewisham has written to the government to ask for a fully funded supplement.

Danny Hogan (Chair, Unite) informed colleagues that at a meeting on 18 October Greenwich has agreed and supports the claim.

Sue Plain (UNISON) informed colleagues that when the last pay award was made we found ourselves in a difficult position in London and the Trade Unions would urge colleagues to carrying on working in parallel so we are ready when we consult. There are serious consequences for the outer London pay spine at the bottom levels.

9. Regionalisation of Adoption Services: Helen Reynolds (Trade Union Side Joint Secretary) highlighted to colleagues that the Association of London Directors of Children's Services (ALDCS) are due to consider a report on the likely arrangements for the regionalisation of adoption services on 25 October 2017.

The Trade Unions are concerned that they have had no engagement from the ALDCS to date and are requesting involvement. We are concerned for our members in terms of who they will be employed by, location etc.

Cllr Angela Harvey (Westminster) responded that this is a critical service that councils provide to vulnerable children in London. The Employers' Side has been informed that boroughs have been bidding to run this service. The Employers' Side support the Trade Unions concerns regarding staff but at present have no further information. The way forward would be for the Joint Secretaries to have a discussion and if colleagues agree this item should be brought to the next GLEF meeting as it is a wider forum than GLPC.

Colleagues in attendance agreed this item be on the GLEF agenda on 15 February 2018.

10. London Living Wage Summary: It was noted that that LB Havering had now confirmed they will be matching the London Living Wage (LLW).

Danny Hoggan (Chair, Unite) enquired whether those boroughs paying the LLW were ensuring that this was paid to all staff, including staff in contracted out services.

Cllr Angela Harvey (Westminster) asked if there was any information about boroughs paying less than the LLW.

Danny Hoggan (Chair, Unite) responded that yes, many are paying less for contracted out staff. We have a moral responsibility to ensure people in our communities are helped to get out of poverty and would like to understand why Bexley and Bromley do not pay the LLW. Both of these boroughs have a moral responsibility.

Cllr Angela Harvey (Westminster) responded that the LLW summary is for direct employed staff.

Cllr Colin Tandy (Bexley) declined to comment.

Cllr Ian Payne (Bromley) responded that the borough runs a tight ship and it runs well.

Sue Plain (UNISON) stated that if the LB Havering were now compliant then the Trade Unions would like an update from RB Kensington & Chelsea on whether they were intending to move from 'currently reviewing' to 'implemented arrangements'. This is the only borough that has frontline staff still on spinal point 5.

Tax payers through the state benefits should not be supporting contractors not paying their employees the LLW. This is just not a moral argument but an economic one.

The Trade Unions enquired if boroughs when going through procurement expect a provider to pay the LLW?

Cllr Simon Hall (Croydon) responded that Croydon do make it a requirement in their procurement. This is a principle the borough has taken.

Cllr Angela Harvey (Westminster) responded that the Employers' Side were not aware that this information was to be provided at this meeting but we will bring back to the next meeting.

Sue Plain (UNISON) stated that it would give us great achievement and pride if we could say in London that everyone was paid the LLW.

London Living Wage – summary of the position in London local authorities

- The summary shows that overall 29 London boroughs are or have agreed to pay directly employed staff the minimum of the LLW (15 boroughs are accredited as Living Wage Employers).

Implemented arrangements specifically to address this

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

Current position under review

Kensington & Chelsea

Considered and will not be taking any action at this stage

Bexley
Bromley

* Accredited London Living Wage employers

11. Schedule of Outstanding Differences: Cllr Angela Harvey (Westminster) congratulated the Joint Secretaries for their hard work at getting to the position of no outstanding disputes and differences registered on the list.

12. Amendment to Paternity/Maternity Leave: Sue Plain (UNISON) raised concern that this item is under AOB on the Joint agenda and not as an item for discussion and informed the Employers' Side that

ACAS published guidance on 5 September 2017 <http://www.acas.org.uk/index.aspx?articleid=6050>) for employers to help them support staff who have given birth to premature or ill babies.

Mothers of premature or ill babies are campaigning for statutory maternity leave to be extended where mothers give birth early.

The best way forward would be to refer this item to the Joint Secretaries for them to come up with proposals for boroughs.

Cllr Angela Harvey (Westminster) responded that the Employers' Side agree that this is a matter of compassion for us as employers. Our intention is to send the ACAS guidance to boroughs asap and ask them to report back what they intend to do.

As this is a very important issue the Employers' Side felt that instead of this being an item on the next GLPC agenda it should come back to GLEF as this forum is a wider audience.

The Joint Secretaries will need to discuss papers to take forward to GLEF.

The Trade Unions responded that they are happy with the Employers' Side offer.

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

14. Date of next meeting: The next meeting would be held on **Wednesday 14 March 2018**.
Group meetings will take place at 10am and the main meeting at 11.30am (or on the rising of the sides).

The meeting was concluded at 12.33pm

Leaders' Committee

Report from the TEC Executive Sub Committee – 16 November 2017

Item no:

Report by: Alan Edwards **Job title:** Governance Manager
Date: 6 February 2018
Contact Officer: Alan Edwards
Telephone: 020 7934 9911 **Email:** Alan.e@londoncouncils.gov.uk

Summary: Summary of the minutes of the London Councils' TEC Executive Sub Committee held on 16 November 2017

Recommendations: For information.

1. Attendance: Cllr Julian Bell (LB Ealing – Chair), Cllr Lynda Rice (LB Barking & Dagenham), Cllr Stuart King (LB Croydon), Cllr Daniel Anderson (LB Enfield), Cllr Feryal Demirci (LB Hackney), Cllr Claudia Webbe (LB Islington), Cllr Peter Buckwell (LB Richmond), and Cllr Jill Whitehead (LB Sutton)

2. Apologies for Absence

Apologies for absence had been received from Councillor Phil Doyle (RB Kingston) and Councillor Caroline Usher (LB Wandsworth).

3. London Councils' Response to the Draft Mayor's Environment Strategy Consultation

The TEC Executive Sub Committee received a report that summarised the development process of the London Councils' draft response to the draft London Environment Strategy (LES) and sought member approval for its contents.

Owain Mortimer, Principal Policy Officer, Transport, Infrastructure & Environment, London Councils, introduced the report. He made the following comments:

- Deadline for responses to the draft Mayor's London Environment Strategy (LES) Consultation was 17 November 2017;
- London Councils engagement process to produce its response involved three elements, including two large scale events (13 April 2017 – a pre-consultation event with the GLA, for borough input, and 31 October 2017 – over 50 attendees, members and officers);
- Also, a Task and Finish Group met twice on 8 September and 30 October 2017, with borough representatives from all the environment policy areas covered in the draft LES. This fed into the final response; and
- Key message in the London Councils response was the ambitiousness of the Strategy. The Strategy was welcomed and the main aims were supported (eg zero carbon emissions and zero waste);

A "Q and A" session took place.

- The TEC Executive Sub Committee: **(i)** noted and discussed the draft response to the draft London Environment Strategy at Appendix 1; **(ii)** agreed that the following minor changes to the response would be made and sent to the Chair and vice chairs of TEC's for final sign-off: (a) to strengthen the paragraph regarding the lack of effective borough powers to enforce residential recycling rates, (b) to strengthen the issue of expectations and costs in delivering the Environment Strategy; and (c) more clarification was needed on the Government's litter strategy and fly-tipping and this should be mentioned in the specific section on this in the response (page 28/para 139); and **(iii)** Agreed to submit the draft response to the draft London Environment Strategy as outlined at Appendix A, subject to the above minor amendments being made.

4. Transport & Mobility Services Performance Information 2017/18 (Q2)

The TEC Executive Sub Committee considered a report that detailed the London Councils' Transport and Mobility Services performance information for Q1 and Q2 in 2017.

The TEC Executive Sub Committee noted the performance information report for Q1 and Q2 in 2017.

5. Month 6 Revenue Forecast 2017/18

The TEC Executive Sub Committee received a report that outlined actual income and expenditure against the approved budget to the end of September 2017 for TEC and provided a forecast of the outturn position for 2017/18.

The TEC Executive Sub Committee **(i)** noted the projected surplus of £1.001 million for the year, plus the forecasted net underspend of £809,000 for overall Taxicard trips, as detailed in the report; and **(ii)** noted the projected level of Committee reserves, as detailed in paragraph 5 of the report, and the commentary on the financial position of the Committee included in paragraphs 6-9.

6. Draft Revenue Budget and Borough Charges 2018/19

The TEC Executive Sub Committee received a report that detailed the outline revenue budget proposals and the proposed indicative borough subscription and charges for 2018/19. The Executive Sub Committee was also asked to comment on these outline proposals, with particular consideration to the three specific proposals detailed at paragraph 4, in order that any comments could be consolidated in the further report for the TEC Main meeting in December 2017.

The TEC Executive Sub Committee approved the proposed individual levies and charges for 2018/19 as follows: **(a)** the Parking Core Administration Charge of £1,500 per borough and for TfL (2017/18 - £1,500; paragraph 36); **(b)** the total Parking Enforcement Service Charge of £0.4226 which would be distributed to boroughs and TfL in accordance with PCNs issued in 2016/17 (2017/18 - £0.4915 per PCN; paragraphs 34-35); **(c)** no charge to boroughs in respect of the Freedom Pass Administration Charge, which was covered by replacement Freedom Pass income (2017/18 – nil charge; paragraph 15); **(d)** the Taxicard Administration Charge to boroughs of £338,182 in total (2017/18 - £338,182; paragraphs 17); **(e)** no charge to boroughs in respect of the Lorry Control Administration Charge, which was fully covered by estimated PCN income (2017/18 – nil charge; paragraphs 19-20); **(f)** Road User Charging Appeals (RUCA) – to be recovered on a full cost recovery basis under the new contract arrangements with the GLA (paragraph 28);

In addition, after considering the specific proposals outlined at paragraph 4, the Executive-Sub Committee was also asked to recommend that the Full Committee approve at their meeting on 7 December: **(i)** a unit charge of £12 for the replacement of a lost or damaged Freedom Pass (2017/18 - £10; paragraph 10); **(ii)** Environment and Traffic Appeals (ETA) charge of £30.63 per appeal or £27.02 per appeal where electronic evidence was provided by the enforcing authority (2017/18 - £32.00/£28.50 per appeal). For hearing Statutory Declarations, a charge of £25.21 for hard copy submissions and £23.53 for electronic submissions (2017/18 - £26.74/£26.06 per SD) (paragraph 27); **(iii)** the TRACE (Electronic) Charge of £7.53 per transaction (2017/18 - £7.31; paragraphs 29-33); **(iv)** the TRACE (Fax) Charge of £7.70 per transaction, in addition to the electronic charge of £7.53 per transaction (2017/18 -

£7.48; paragraphs 29-33); **(v)** the TEC¹ Charge of £0.175 per transaction (2017/18 - £0.17; paragraphs 29-33); **(vi)** agreed to transfer £140,000 from uncommitted general reserves into the specific reserve to ensure the Committee's formal policy on reserves of between 10 to 15% of annual operating expenditure was adhered to.

The provisional gross revenue expenditure of £368.775 million for 2018/19, as detailed in Appendix A; and

- On the basis of the agreement of all the above proposed charges as outlined in this report (including those at paragraph 4), the provisional gross revenue income budget of £368.486 million for 2018/19, with a recommended transfer of £289,000 from uncommitted Committee reserves to produce a balanced budget, as shown in Appendix B.

The Executive-Sub Committee was also asked to note:

- the current position on reserves, as set out in paragraphs 52-55 and Table 8 of this report; and
- the estimated total charges to individual boroughs for 2018/19, as set out in Appendix C.1.

7. Minutes of the TEC Main Meeting held on 12 October 2017 (for noting)

Subject to a couple of minor amendments being made, the TEC Executive Sub Committee noted the minutes of the TEC Main meeting held on 12 October 2017.

8. Minutes of the TEC Executive Sub Committee held on 15 September 2017 (for agreeing)

The minutes of the TEC Executive Sub Committee held on 15 September 2017 were agreed

9. Any Other Business

Councillor Webbe asked whether the boroughs would be given more time to return their forms to give delegated authority of Go Ultra Low City Scheme (GULCS). Spencer Palmer confirmed that a written reminder would be sent out to the boroughs regarding this and a copy would be sent to TEC members, as well as borough officers.

The meeting finished at 11:15 am.

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

LONDON COUNCILS GRANTS COMMITTEE

22 November 2017

Minutes of the Grants Committee held at London Councils, 59½ Southwark Street, London SE1 0AL on Wednesday 22 November 2017

London Borough & Royal Borough:

Representative:

Barnet	Cllr Suri Khatri (substitute)
Bexley	Cllr Don Massey
Brent	Cllr Margaret McLennan
Ealing	Cllr Ranjit Dheer
Enfield	Cllr Yasemin Brett
Greenwich	Cllr Denise Scott-McDonald
Hackney	Cllr Jonathan McShane
Islington	Cllr Kaya Comer-Schwartz
Kensington & Chelsea	Cllr Mary Wheale
Kingston upon Thames	Cllr Hugh Scantlebury
Merton	Cllr Edith Macauley
Newham	Cllr Forhad Hussain (Chair)
Redbridge	Cllr Bob Littlewood
Richmond	Cllr David Linette
Sutton	Cllr Simon Wales
Tower Hamlets	Cllr Abdul Mukit MBE
Waltham Forest	Cllr Liaquat Ali
Wandsworth	Cllr Paul Ellis
Westminster	Cllr David Harvey

London Councils officers were in attendance.

Cllr Hussain confirmed that as deputy he would be chairing the meeting in the absence of Cllr McGlone.

The Chair informed the Committee that Cllr Maddan (LB Wandsworth) had passed away in September, and extended condolences to Cllr Maddan's family. He also thanked Cllr Maddan for his contribution to Grants Committee over the years; he had joined Grants Committee in 2009 and was also a Grants Executive member.

The Chair also thanked Cllr Carr (LB Bromley) for his service on Grants Committee and Grants Executive for over 13 years, and as the Conservative Group Lead. It was confirmed that Cllr Don Massey (LB Bexley) would be taking over as the new Conservative Group Lead on Grants Committee, and Cllr Colin Smith would be replacing Cllr Carr as the Grants Committee representative from LB Bromley.

1. Apologies for Absence

1.1 Apologies were received from Cllr Saima Ashraf (Barking & Dagenham), Cllr Richard Cornelius (Barnet), Cllr Colin Smith (Bromley), Alison Gowman (City of London), Cllr Yasemin Brett (Enfield), Cllr Sue Fennimore (Hammersmith & Fulham), Cllr Sue Anderson (Harrow), Cllr Paul McGlone (Lambeth), Cllr Joan Millbank (Lewisham) and Cllr Barrie Hargrove (Southwark).

1.2 Because of an issue relating to some Councillors not receiving invitations to all meetings, it was agreed that London Councils Corporate Governance team would ensure that all members were aware of Committee dates.

2. Declarations of Interest

- 2.1 Cllr Massey declared an interest in item 4 as he was employed by a charity. Cllr Comer-Schwarz declared an interest in item 6 because Islington ran the NRPF Network.

3. Minutes of the Grants Committee AGM – 12th July 2017

- 3.1 The minutes were agreed as an accurate record of the meeting, subject to the deletion of the duplication of Cllr Massey's name, and the inclusion of Cllr Mukit in the apologies for absence.

4. Final Performance Report of the London Councils Grants Programme 2013-17

- 4.1 The Chair introduced the report, noting the key successes of the programme: 80,000 homelessness interventions; over 300,000 sexual and domestic violence interventions; and 11,558 poverty interventions, including 1,457 people gaining employment. He also referred to the lessons learned draft response to the Charity Commission's consultation on charities annual submissions, which he hoped members would agree to.
- 4.2 Cllr Comer-Schwartz asked how the successes of the programme were being publicised. Although the Chair mentioned the use of members' briefings, it was agreed that Yolande Burgess, London Councils Strategy Director, would discuss publicity options with the London Councils Communications team and report back to Committee members via the Chair. The Chair felt that a handout summarising successes would be useful.
- 4.3 Cllr Massey thanked staff for the report and the honest way in which all the issues had been set out in it. He stressed the need for this balance to be maintained in the wider publicity about the programme.
- 4.4 Cllr Wales noted that the formation of consortia was crucial to the programme's success, and felt that an understanding of how partnerships, which levered in funding, was important in any evaluation. Katy Makepeace-Gray, Principal Programme Manager, confirmed that the information would be included in feedback to the Committee at its July 2018 meeting. Cllr Wales also wanted to be reassured that any consortia publicity should make the involvement of London Councils clear. The Principal Programme Manager confirmed that this was a requirement of funding, set out in the provider handbook and checked via evaluation reports, and that any leaflets recognised London Councils input and included logos. The Chair felt that this visibility should also extend to social media.
- 4.5 Cllr Comer-Schwarz congratulated London Councils providers on the success of the recent Homelessness launch event, and felt that the meeting of many different organisations to discuss the impact on young people in particular was very positive.
- 4.6 Cllr Khatri identified a number of small errors in the figures within the report, which London Councils staff agreed to change. In addition it was confirmed that the total figure of £5.32 million in section 5.4.1 of the report could not be broken down further as this represented one specification.

4.7 Members:

Noted the summary of final performance data provided in section five of the report

Noted the assessment on the extent to which themes drawn out in the 2012 Grants Review were addressed in the 2013-17 Programme as outlined in sections two to four

Noted the lessons learned from the 2013-17 Grants Programme, particularly those identified through the Grants Review 2015-16 as outlined in section four of the report

Endorsed the continued approach to addressing lessons learned as set out in section four (this is also outlined in the report on the 2017-21 Programme on this agenda)

Agreed that officers submit the draft response to the Charity Commission consultation on charities annual submissions, included at Appendix One of the report

5. Performance of Grants Programme 2017-21

5.1 The Strategy Director introduced the report, commenting that it covered Quarters 1 and 2 of 2017/18.

5.2 Members were informed that while Priority 1 and 2 elements of the programme were above profile, Priority 3 (ESF) was underperforming. This had largely been due to changes in ESF eligibility criteria not being understood within London Councils, but it was stressed that project partners had worked hard to address the issues. Historical issues had now been addressed, and regular liaison with partners at Chief Executive level was now taking place as well as re-profiling meetings, and there was a better level of confidence than a few months previously. Consideration had been given to extending the programme for 6 months and utilizing flexibility in the ESF. An issue for the partners was that the current target group was not as broadly defined as the previous programme and employment levels have improved. In January there would be a focus on engagement strategies with partners, including talking to the DWP to improve referrals.

5.3 The Chair thanked the Strategy Director for her explanation, commenting on the similarity to pensions issues where performance sometimes dipped, which was not necessarily representative of the fund's overall health.

5.4 Cllr Massey was pleased to learn of the recovery plan in relation to the ESF element of the programme and also that lessons had been learned. He recognised that although there was quite a volume of information this was useful, and that he encouraged other members to make use of the borough grants officer in their borough. He felt that it was a challenge to get the balance right in terms of the level of information, and that this should be kept under review.

5.5 Cllr Littlewood felt that it was important to be upfront regarding difficulties experienced, and recognised the pressure on partners while the issues were being resolved. He felt that reasonably regular updates should be given to the Committee on this issue and was worried about progress. The Chair agreed that members of the Executive should be updated monthly on progress.

5.6 In response to a question from Cllr Wheale, the Strategy Director confirmed that the issues with ESF related to not correctly picking up the change of London Councils status from co-financier to direct bidder, which meant that the programme needed to be retrofitted, placing pressure on partners. It was also confirmed that management issues had been addressed.

5.7 The Committee:

Noted the outcomes for Priority 1, 2 and 3 projects

Noted the number of interventions delivered in the relevant quarters

Agreed to continue to endorse the approach highlighted in section two of the report relating to the addressing of the issues raised in the Grants Review

Noted the progress on the administration of £100,000 per year for two years on behalf of the Mayor's Office for Policing and Crime (MOPAC) to enhance training to front-line professionals on identifying harmful practices, as set out in section six of the report

Noted the annual performance report provided by London Funders included at Appendix Three of the report

Noted the discussions of the first performance report for the 2017-21 Programme and agreed the format for future reports.

6. Thematic Review: No Recourse to Public Funds

- 6.1 The Committee was informed that this report was the first of the 'thematic review' papers and the choice of 'No Recourse to Public Funds' had been made because of its impact across London. A survey of boroughs had been carried out and the results would be used by the policy team at London Councils for lobbying purposes. The Chair then introduced Pam Saleem and Lubana Kayani from Ashiana Network, who presented to the Committee about the work of the partnership, followed by an address from a recipient of the organisation's services.
- 6.2 Pam Saleem, Housing and Advice Services Manager, explained that the Network had started with one bedspace, but now had 32. Referrals were between the ages of 16 – 35 years; 6 bedspaces were reserved for people with 'No Recourse to Public Funds.'
- 6.3 Ashiana provided advice and counselling services and also legal advice and support for clients dealing with the Home Office, who often had little or no support.
- 6.4 In response to a question from Cllr Comer-Schwarz, Ms Saleem commented that a key difficulty facing the Network was the requirement to assist clients before Home Office approval for public funds could be given, plus the provision of sufficient move on accommodation was also a problem.
- 6.5 Cllr Scott-McDonald asked what had changed regarding the provision of the service since the Network started in 1989. Ms Saleem responded that the main change had been the increasing complexity of issues faced by clients and the increased numbers of women approaching Ashiana with NRPF. Ms Saleem also reported increasing delays in terms of Home Office responses, and increasing pressure on services due to legislative changes relating to public funds.
- 6.6 Cllr Dheer recognised the issues covered by Ms Saleem as important and relevant to his own borough, and across London. He felt that the Grants Committee should lobby the government on the issue of NRPF and immigration law reform, stating for example that in his opinion asylum seekers waiting to hear a decision regarding Public Funds should be able to work. Cllr Comer-Schwarz felt that the bullet points in section 3.12 of the report summarised the lobbying issues well. Cllr Massey suggested that it was more appropriate to raise this issue with Leaders' Committee after raising it with the political groups, and it was agreed that officers should action this via a report to the Corporate Management Board.
- 6.7 It was agreed that Members should feed ideas for future thematic reviews to officers, and for officers to bring suggestions to the next Grants Committee meeting.
- 6.8 Members thanked the representatives from Ashiana and the service recipient for attending the meeting. They agreed that it would be useful to receive updated information on this area via the equalities report.

7. Leadership in the Third Sector: Work Plan Progress

- 7.1 The Chair informed members that a number of meetings had now taken place regarding the work following publication of The Way Ahead; the report to this Committee detailed progress on the workplan previously agreed by Grants Committee.
- 7.2 The Principal Programme Manager reported that: the key findings of the recent survey of boroughs regarding third sector infrastructure had been published in a members' briefing; the boroughs Grant Officers' group had now met four times; and that the Grants programme had been published in open data format on a database run by 360 Giving.
- 7.3 Members were informed that representation was required for The London Hub Advisory group and the The Way Ahead System Change Group. Members agreed the nomination of Cllr Paul McGlone and Cllr Bob Littlewood respectively for those groups, and noted the remainder of the report.

8. Month 6 Revenue Forecast 2017/18

- 8.1 Frank Smith, Director of Corporate Resources, introduced the report, commenting that the Section 48 funded services (Priority 1 and 2) and administrative costs were projected to break even, but overall there was a projected surplus of £541,000 because of slippages in the ESF programme. By the end of the programme this position would have recovered as the project was now up and running, although this may now complete in 2019/2020.
- 8.2 The Director of Corporate Resources explained that projected reserves at the end of 31st March 2018 were likely to be £333,000. A question was asked whether the reserve percentage of nearly 5% was appropriate. It was felt by the Director that this could be reviewed now that the monitoring process was in place, which was designed to flag up issues at an early stage, with a policy of withholding payments where problems have occurred, pending investigation.
- 8.3 It was also reported that the most recent Executive Committee meeting had agreed not to return funds back to boroughs and to freeze subscriptions – reserves should remain healthy.
- 8.4 The ESF element of the programme would be completed by 2019/2020 but the financial commitment from the boroughs had now been discharged and all money collected. The performance challenges facing the ESF element of the programme had been discussed earlier in the agenda.
- 8.5 In response to a question from Cllr Scantlebury it was confirmed that the £541,000 surplus was ringfenced to ESF, and that there was no real risk to that ringfencing if the programme was extended, as both the criteria and the claims process had been previously agreed, and was unlikely to change. However there was a potential risk of some future costs being ineligible in light of the rules, and this was being currently looked at.
- 8.6 Cllr Scantlebury felt it important to keep the reserve percentage at a low rate because of the perception from boroughs that the money could be better spent by them. Cllr Massey felt that 3.75% was realistic. The Director of Corporate Resources also commented that administration costs needed to be reviewed. It was confirmed that the administration costs were limited to the grants programme, but were not included in the percentage. These were due to be reviewed in 2018, but it was important that London Councils' administrative overheads should be seen to stand alone from boroughs.
- 8.7 Members noted the report.

9. London Councils Grants Scheme – Budget Proposals 2018/19

- 9.1 The Director of Corporate Resources reported that the overall level of expenditure for 2018/19 was recommended as £8.668 million, which, less any one off payments, was broadly the same as the current expenditure, and was also likely to be the same for 2019/20.
- 9.2 Members agreed the report, which was due to be discussed at Leaders' Committee on 5th December 2017

The meeting finished at 12:25pm

Leaders' Committee

Report from the Capital Ambition Board Item no: – 13 December 2017

Report by:	Ana Gradiska	Job title:	Principal Governance and Projects Officer
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Date:	6 February 2018
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Contact Officer:	Ana Gradiska
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Attendance Members: Edward Lord OBE JP (City of London - Chair), Cllr Fiona Colley (LB Southwark), Cllr Nicholas Paget-Brown (RB Kensington and Chelsea); **Advisers:** Paul Najsarek, Chief Executive, LB Ealing, John Hooton, Chief Executive, LB Barnet, James Rolfe, Executive Director of Finance, Resources and Customer Services, LB Enfield; **London Councils:** Frank Smith, Director of Corporate Resources, Guy Ware, Director, Finance, Performance and Procurement, Andy Pitcairn, Head of Budgetary Control and Procurement, Thomas Man , Head of Capital Ambition, Lisa Henry, Capital Ambition Programme Manager, Harry Richardson, London Ventures Programme Manager; **EY:** Victoria Evans, Senior Manager, Local Public Services, Shu Fei Wong, Manager, Local Public Services; **Board Secretariat:** Ana Gradiska, Principal Governance and Projects Officer, Joe Harris, Business Administration Apprentice

The Chair welcomed John Hooton to his first meeting of Capital Ambition.

1. Declarations of Interest

1.1 There were no declarations of interest.

2. Apologies for absence

2.1 Apologies were received from Cllr David Simmonds CBE (LB Hillingdon) and Cllr Stephen Alambritis (LB Merton).

3. Minutes of the meeting held on 18 October 2017

3.1 The minutes of the non-exempt part of the meeting held on 18 October 2017 were agreed as an accurate record.

4. Capital Ambition - Director's Report

4.1 The report was noted by CAB.

5. London Ventures Progress Report

5.1 The Head of Capital Ambition said that good progress has been made since the October CAB meeting and the London Ventures team had continued to promote and advocate the London Ventures programme with local authorities as well as with other key stakeholders

including social investors. A number of London local authorities have been proactive in their engagement with the programme, and of particular note was the very successful Cornerstone virtual reality launch event at City Hall which had generated a lot of publicity.

- 5.2 The London Ventures team had undertaken a review of the first targeted ventures cycle (which focused on tackling homelessness, temporary accommodation and housing) to inform their approach to the second targeted ventured cycle. The team had a workshop to consider the process in detail and to identify elements that were effective as well as those that could be improved upon. The team felt that having a sponsoring CAB Member and Advisor for the issue being targeted would be very beneficial.
- 5.3 In addition the London Ventures team has been considering the overall thematic area for the next targeted cycle, and through engagement activity with CAB members and advisors as well as other key stakeholders the topic of children and families was identified. A key programme priority over the next few months will be to continue with the initial engagement and to start to build momentum with sector leaders and the relevant pan-London professional network.
- 5.4 It was reported that Cllr David Simmonds CBE and Paul Najsarek had both volunteered to be the CAB sponsors for the next cycle of targeted ventures.
- 5.5 EY added that some of the key highlights of the work carried out since the October 2017 meeting was the increase in the level of local authority engagement, the access to external funding, local authorities providing match funding and sponsorship to support the development of the four targeted ventures concepts. EY recognised the need for raising the profile of the programme so that local authorities could better see the value created by London Ventures. So far, local authorities have committed £200,000 of match funding to support the development of London Ventures concepts and CAB has committed £93,850 for seed funding at the October 2017 meeting.
- 5.6 The Director of Finance, Performance and Procurement said that there was a broad range of activity and initiatives addressing various aspects children and families including initiatives from central government, so it was important for CAB to have clarity as to which aspect of children and families, in order to add value and not replicate work that is already being carried out.
- 5.7 Members:
- Noted the overview of London Ventures activity since October 2017.
 - Noted the review of the homelessness, temporary accommodation and housing targeted venture process and value generated.
 - Approved the overall theme and approach for the second cycle of targeted ventures.
 - Approved the appointment of David Simmonds CBE and Paul Najsarek as the sponsors for the second cycle of targeted ventures.

6. Any Other Business

- 6.1 None.

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

The meeting finished at 11.30

**Minutes of the Meeting of the Executive
Tuesday 16 January 2018 9:30 am**

Cllr Peter John OBE was in the chair

Present

Member	Position
Cllr Peter John OBE	Deputy chair
Cllr Teresa O'Neill OBE	Vice chair
Cllr Ruth Dombey OBE	Vice chair
Mayor Sir Steve Bullock	
Cllr Darren Rodwell	
Cllr Kevin Davis	

London Councils officers and Cllr Sarah Hayward (Camden), London Councils' Lead Member for Equalities were in attendance.

1. Apologies for absence and announcement of deputies

Apologies were received from Cllr Claire Kober OBE, Ms Catherine McGuinness, Cllr Ray Puddifoot MBE, Cllr Lib Peck and Cllr Julian Bell. No deputies were announced.

2. Declaration of interest

No interests were declared

3. Minutes of the Executive Meeting held on 14 November 2017

The minutes of the Executive meeting held on 14 November 2017 were agreed.

4. Equalities Impact Research

The Chair invited Cllr Sarah Hayward, London Councils' Lead Member for Equalities to introduce the report, she did as follows:

- The report introduced an equalities research report, attached as an appendix, which was commissioned from the Learning and Work Institute in 2017
- The research reviewed the local equalities implications of recent and emerging changes in relation to three themes:
 - employment and skills
 - social security policy
 - housing and homelessness
- The work was designed to inform London Councils business planning process for 2018/19 onwards
- The wide-ranging work was narrowed down in the recommendations
- There was a more detailed section on welfare reform and in-work poverty
- The housing section looked at the right-to-rent and discrimination for which it was difficult to get evidence. Landlords had been reluctant to provide information and the evidence from tenants was anecdotal; more research was needed.

Cllr Teresa O'Neill responded:

- She thought it was valuable piece of work and felt it would be worthwhile trying to track changes in the impact of the issues discussed in the report over time
- However, she thought, if the report was going to be distributed more widely than the Executive, the language needed to be reviewed so that it did not detract from the central messages of the report. Certain sections need much more nuanced expression in order to read well with key audiences and help achieve the objectives that would underpin this work

Cllr Hayward agreed with these points.

Cllr O'Neill went on to say that five boroughs voted to leave (the European Union) and they should be treated in a more nuanced way.

Cllr Kevin Davis expressed his surprise at the narrowness between the figures for inner and outer London in the Table 1 *Poverty level thresholds (weekly income)* and asked

where the information had come from and if there was any data that would show if the gap was narrowing?

Cllr Hayward replied that the information had come from the Joseph Rowntree Foundation (JRF) and the Head of Strategic Policy undertook to circulate it to members of the Executive.

Cllr Davis went on to say that there was a new model of working, especially found among young people, of doing a number of part-time jobs while living at home and this needed to be taken into account in the analysis.

Cllr Darren Rodwell pointed to the extent to which the black economy had become significant with people making money through rent-a-bed arrangements – a three bedroom house in his borough had been raided and was found to have 36 people living in it. This needed to be looked at in equalities terms and the unofficial economy tackled.

Cllr Hayward replied that the 'gig' economy and to a lesser extent the black economy were driving in-work poverty and would be considered when developing the strategy in 2018/19. She asked the Executive for a steer on how much housing abuses such as bed-renting should be looked at and the Executive agreed to leave it to her discretion. She went on to say that London Councils could lead by example and challenge other public sector employers in the area.

Cllr Dombey said it was important that London Councils did what it could to lead by example. The Chair asked whether London Councils was an accredited London Living wage payer and was told it did meet the criteria but was not accredited. He also asked what Investors in People (IIP). London Councils was not IIP accredited and Cllr Rodwell expressed his opposition to this. The Chair concluded by agreeing that the development of the strategy should be monitored by the Executive and did not need to go to Leaders' Committee at this stage.

The Executive agreed:

- to draw on the evidence base which had been collected through the research in developing the London Councils Business Plan and Equality Objectives for 2018/19 onwards

- to include the following within the 2018/19 business plan the wording: *Promoting the local authority role in providing joined-up support in relation to poverty, in-work poverty, homelessness prevention and welfare (including access to Universal Credit).*

5. Devolution of the Criminal Justice Service

The Chief Executive introduced the report:

- The overarching Memorandum of Understanding (MoU) on further devolution to London, which had been agreed between Government, the Mayor and London Councils in March 2017, included a commitment to agreeing a specific Criminal Justice MoU
- In October 2017, Leaders' Committee delegated authority to the three London Councils Member-level representatives on the LCRB, Cllr Kober, Cllr Peck and Cllr Cornelius to consider and approve the final MoU. The current ambition was for the working text to be agreed with officials by the end of January 2018
- Currently Youth Justice provision was a borough responsibility and was funded by the Youth Justice Board. Ms Sophie Linden Deputy Mayor for Policing and Crime wanted to understand where the boroughs stood on Youth Justice reform involving its delivery by groups of boroughs. Crime and Public Protection portfolio-holder, Cllr Lib Peck decided to test the appetite for the proposals before the MoU was finalized and she requested a paper proposing a pilot, which was attached to the report as an appendix

Cllr Rodwell expressed his concern over the possibility of MOPAC taking over Youth Justice. He pointed to the experience of other pilots – such as the BCU changes – where roll out sometimes appeared to precede evaluation.

Cllr Ruth Dombey argued that there was a definite change in the dynamic of deprivation in outer London and agreed with Cllr Rodwell about changes to footprint for the youth justice service. She did not think the pilot should be set up. Cllr O'Neill also shared this view.

Cllr Davis argued that it would be reasonable to indicate a willingness to keep the issue under review in future, but there was agreement by all members of the Executive that the MoU should be pursued without any reference to the Youth Justice pilot.

Before the item was concluded Cllr Davis suggested that the Probation Service was in a mess and cited a case where his borough had not been provided with important information by the service on an individual who had been released into the borough.

With the exception of the youth justice proposals referred to above, the Executive agreed to note the report.

6. Devolution and Public Service Reform

The Corporate Director, Policy and Public Affairs introduced the report saying it provided an update on London government's work on devolution and public service reform – including updates regarding the progress against the Memorandum of Understanding with Government on further devolution to London, particularly in relation to:

- **Further Business Rates retention:** Today was transition day with formal agreements were going through boroughs
- **Adult Education Budget and wider skills devolution:** the Government had been pressed to accelerate the process but there was a new Secretary-of-State. Governance had been agreed comprising four representatives of the sub-regions and the London Councils portfolio-holder being part of that. Powers were to be devolved to the Mayor under provisions in the 1999 Greater London Authority Act
- **The London Work and Health Programme:** Launches in each of the sub-regional areas were now set
- **Industrial Strategy:** No tangible issues to report
- **Health devolution:** Try to encourage locally led attempts to make use of the leverage this now provided
- **Housing:** New targets had been set by both central government and the Mayor, in his draft London Plan.

Cllr O'Neill commented:

- On Business Rate retention, a two-year period for the pilots had been discussed but it was formally set up as one. In response, officers said that HM Treasury had consciously to maintain the formal position of a one-year agreement, but that 10 pilots were announced in the Local Government Finance Settlement in addition to the one in London it would be surprising if London could not secure agreement to the pilot continuing into 2019/20 if it so wished
- On health devolution she was concerned about the asymmetry between STP footprints and those coming under a single accountable officer in her area
- Some boroughs were committing to sub-regional partnerships but stepping away from the full consequences of this.

The Executive agreed to note the report.

7. Provisional Local Government Finance Settlement 2018-19

Director of Finance, Performance and Procurement introduced the report saying:

- That today was the day that the consultation on the Provisional Settlement closed and a response had been prepared closely following the points made in the report
- This year's Settlement was the third of the current four year Spending Review period (2016-17 to 2019-20). For those authorities that had accepted the Government's four year offer, the Provisional Settlement confirmed Revenue Support Grant allocations for the next two years 2018-19 and 2019-20
- The most notable announcement was the increase in the council tax referendum threshold from 2% to 3% in both 2018-19 and 2019-20. The reason given by government was "in recognition of higher than expected inflation and the pressures on services such as social care and policing". London Councils estimated that an additional 1% increase would, if adopted by all London boroughs, raise approximately £32 million in 2018-19 and £35 million in 2019-20. This is in the context of £540m more of savings being implemented by boroughs in the current year

- The Government confirmed its intention to implement a system of 75% business rates retention across local government in 2020-21: lower than the 100% it had previously aimed for prior to the general election. It confirmed that this would include rolling in RSG, Rural Services Delivery Grant, GLA Transport Grant and Public Health Grant, and did not refer to any transfer of new responsibilities
- London Councils had long called for not only 100% retention for the sector but, full control over the setting and proceeds of business rates within the capital in line with the previous work of the London Finance Commission
- The Government also published, alongside the provisional settlement, a consultation on the Fair Funding Review, which would be implemented at the same time as the new 75% retention system in 2020-21.
- The February meeting of the Executive would receive a further report on the next consultation on the Fair Funding Review and the broader approach to be adopted to this.

The Chair reported on a meeting that Cllr Govindia and himself had had with the Secretary-of-State for Housing, Communities and Local Government (DHCLG), Rt Hon Sajid Javid MP when he had raised the funding of Children's Services, Adult Care, Housing and Homelessness as well as fire safety

Cllr O'Neill commented that in relation to the consultation response in the settlement

- It was worth recording that the decision not to make further changes to the New Homes Bonus was a positive factor
- There was a need to discuss planning fees and the Better Care Fund

The Chair suggested a debate was likely on responsibility for adult social care and he would be interested to see the social care green paper due to be published in the summer. The London local government view of this needed to be heard as part of that.

Cllr Davis commented that as RSG disappeared, discussion of it became less relevant but his borough was one of those facing negative RSG. He was informed this impacted on about four boroughs. The Government was seeking to find ways of mitigating the impact of this.

Cllr Dombey asked about resources for implementing the Homelessness Reduction Act. Officers reported the London figures, as collected by London Councils, which showed a very significant gap between provision and cost on the ground. This had been raised consistently with ministers.

The Executive agreed to note the report.

8. General Data Protection Regulation (GDPR) Update

The Director of Corporate Resources introduced the report:

- London Councils was currently making good progress in preparing for the General Data Protection Regulations (GDPR), which are effective from 25th May 2018
- Successful partnership work had been carried out with the London Fire Brigade in determining the impact of GDPR
- GDPR is not a huge change for organisations that have been doing existing data protection work well
- London Councils have a GDPR improvement plan and an officer board monitoring it. Progress had been shared with Internal Audit at the City
- All areas of high risk have been identified and some low-risk also
- In relation to two major contracts being retendered - for Taxicard and Freedom Pass, the impact of GDPR on those relationships has been included within the appropriate tender/contract documentation
- Standard clauses for contracts need to be written in for existing and new contracts and it was hoped that these would be provided via standard clauses provided by the Government/Information Commissioner
- The Information Commissioner wants to see evidence of the preparedness of organisations for the impact of GDPR, including a record of regular staff training
- It was hoped that specific consent to hold existing personal data was not going to be needed from individual holders of a Taxicard which would mean writing to every one of the existing 67,000 card holders, which would cost around £30,000 in postage costs alone.

The Executive agreed to note the report and the work being done in preparing for the General Data Protection Regulation (GDPR) and regarding the Data Protection Bill.

9. AOB

Cllr O'Neill asked if she could raise the Pensions Common Investment Vehicle (CIV) and made the following points:

- She had been proud of London Councils' achievement in securing agreement from the boroughs to create it
- However, she was concerned about the danger of certain rumours eroding confidence in the CIV. It was important that leaders should be kept informed of developments. She asked for the CIV to provide an update for leaders.

The Chief Executive:

- Undertook to discuss her points with Lord Kerslake, chair of the Pensions CIV
- Pointed out that a report was going to the March meeting of the Pensions CIV with governance options and a financial strategy
- Agreed, in the light of a point made by Cllr John on the urgency of the matter to get a note round to members of the Executive, in first instance, in the next 48 hours.

The meeting ended at 10:50am.

Action points

	Item	Action	Progress
4.	Equalities Impact Research <ul style="list-style-type: none">• Circulate to members of the Executive information regarding Table 1 <i>Poverty level thresholds (weekly income)</i>• The development of the policy work to be monitored by the Executive and not to go to Leaders' Committee at this stage• Draw on the evidence base which had been collected through the research in developing	PAPA Strategic Policy	Further information is being sought and should be available for circulation during February 2018

	the London Councils Business Plan and Equality Objectives for 2018/19 onwards		The evidence base is being used as a foundation for business planning discussions during February 2018.
	<ul style="list-style-type: none"> Include the following wording in the 2018/19 business plan: <i>Promoting the local authority role in providing joined-up support in relation to poverty, in-work poverty, homelessness prevention and welfare (including access to Universal Credit).</i> 		
5.	Devolution of the Criminal Justice System	PAPA C&PP	The draft MoU has been amended accordingly
	<ul style="list-style-type: none"> MoU to be pursued without any reference to the Youth Justice pilot. 		
AOB	Pensions Common Investment Vehicle (CIV)	Pensions CIV/CX's office/CG	Completed
	<ul style="list-style-type: none"> Circulate a note to members of the Executive, in first instance, in the next 48 hours, and thereafter to all borough leaders. 		