

Leaders' Committee

Minutes and Summaries

Item no: 11

Report by: Derek Gadd **Job title:** Head of Governance
Date: 4 December 2018
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Summary Summaries of the minutes of London Councils

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

- Grants Executive – 18 September 2018
- CAB – 22 October 2018
- Executive – 13 November 2018

Leaders' Committee

Report from the Grants Executive – 18 September 2018

Report by: Ana Gradiska **Job title:** Principal Governance and Projects Office
Date: 4 December 2018
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Summary: Summary of the minutes of the London Councils' Grants Executive held on 18 September 2018

Recommendations: For information.

1. Attendance: Cllr Philip Glanville (Chair – LB Hackney), Cllr Saima Ashraf (LB Barking and Dagenham), Cllr Kaya Comer-Schwartz (LB Islington), Cllr Charlene McLean (LB Newham), Cllr David Leaf (LB Bexley), Alderman Alison Gowman (City of London).

2. Apologies for Absence:

Apologies were received from Cllr Miranda Williams (RB Greenwich), Cllr Gerard Hargreaves (RB Kensington and Chelsea), Cllr Paul Ellis (LB Wandsworth), and Cllr Gareth Roberts (LB Richmond).

2. Deputies and Declarations of Interest

2.1 There were no deputies or declarations of interest.

3. Minutes of the Grants Executive held on 22 June 2016 (for noting)

3.1 Members noted the minutes of the meeting which took place on 22 June 2016.

4. Withdrawal of a Priority 3 partner (verbal)

4.1 Yolande Burgess, Strategy Director at London Councils, introduced this item and said that a Priority 3 partner, Disability Times Trust, trading as The Citizens Trust had withdrawn from delivery; notification had been given immediately prior to the Grants AGM in July. The Trust has been struggling to meet their delivery targets, and consequently they were withdrawing from the programme. The Trust cited significant competition in the area as a key factor in its withdrawal.

4.2 At the Grants Committee in November 2018, members will be asked to consider three recommendations:

- that the geographical area covered by Disability Times Trust remains open up to other partners delivering for the Priority 3 programme?
- options for the re-allocation of the £300-350k
- that the final decision for re-allocation is made by the Grants Executive

As the series of options that will be presented to the Grants Committee will also include options based on early findings from the mid-Programme review of Priorities 1 and 2, the final decision on re-allocation of funds would likely need to be made by the Grants Executive in February.

5. Month 3 Revenue Forecast 2018/19

5.1 Frank Smith, Director of Corporate Resources, introduced this report which outlined actual income and expenditure against the approved income and expenditure in the budget to the end of June 2018, and provided a forecast of the outturn position for 2018/19 for both actual and committed expenditure on commissions.

5.2 Mr Smith drew Members' attention to the forecast underspend of £35,000. He said that as things stood, reserves were higher than the benchmark indicators set by the Grants Committee, but discussions surrounding Item 4 on this agenda gave the Committee an ideal opportunity to address the issue of the level of reserves between the November and February meetings.

5.3 Members noted the report.

The meeting ended at 15:40

Leaders' Committee

Report from the Capital Ambition Board Item no: – 22 October 2018

Report by: Ana Gradiska **Job title:** Principal Governance and Projects Officer
Date: 4 December 2018
Contact Officer: Ana Gradiska
Telephone: 020 7934 9781 **Email:** Ana.gradiska@londoncouncils.gov.uk

Summary: Summary of the minutes of the Capital Ambition Board held on 22 October 2018

Recommendations: For information.

1. **Attendance:** *Members:* Cllr Steve Curran (Chair - LB Hounslow), Cllr Stephen Alambritis (LB Merton), Cllr Kevin Davies (RB Kingston upon Thames), Cllr Victoria Mills (LB Southwark), Cllr Yvonne Johnson (sub - LB Ealing); *Advisors:* Andrew Blake-Herbert (LB Havering); *London Councils:* Frank Smith, Thomas Man, Eliza Ackland, Ana Gradiska; *EY:* Victoria Evans, Shu Fei Wong; *For Presentations:* Mark Baigent (LB Tower Hamlets), Ian Swift (LB Southwark).
2. **Apologies for Absence:** Kevin Davies (RB Kingston), Cllr David Simmonds CBE (LB Hillingdon), John Hooton (Chief Executive, LB Barnet) and Paul Najsarek (Chief Executive, LB Ealing).
3. **Declarations of Interest:** There were no interests declared.
4. **Minutes of the meeting held on 10 July 2018**
 - 4.1 The minutes were agreed as an accurate record of the meeting held on 10 July 2018.
5. **London Ventures Presentation – targeted ventures on homelessness, temporary accommodation and housing**
 - 5.1 Mark Baigent and Ian Swift updated members on the following London Ventures supported activities:
 - 5.2 **PLACE:** The Pan-London Accommodation Collaborative Enterprise (PLACE) project aims to use meanwhile sites allocated to other uses (e.g. Crossrail 2) and install temporary modular accommodation on it to support LAs to tackle homelessness in the capital.
 - 5.3 **Property Listing Platform:** This project provided the technical specification for the IT platform of the Capital Letters programme.
 - 5.4 **Transition Insurance:** rather than paying a large deposit on a private rented sector property, this venture involves households taking out an insurance product which landlords would accept in lieu of a deposit and the LA/renters would pay an annual premium.

- 5.5 **Predictive analytics**: This project is led by LB Southwark and delivered in partnership with Xantura, an existing London Venture, to tackle the issue of homelessness. The predictive analytics model uses data from a number of sources to identify households who are at risk of homelessness can be identified at an early stage to allow the council to provide appropriate support to maintain their existing tenancy or find alternative options.
- 6. Capital Ambition – Director’s Report and London Ventures Progress Report**
- 6.1 The Head of Capital Ambition introduced this report and provided an overview of the programme activity. He stated that apart from an outstanding payment from a venture partner that income from the programme was still being accrued on a quarterly basis.
- 6.2 He also drew members’ attention to the projects and activities that CAB had funded outside of the London Ventures programme.
- 6.3 In relation to London Ventures, the Head of Capital Ambition highlighted specific elements from the main report which included significant engagement with a number of LAs interested in the general ventures products and services. Members were also informed about the young people’s hackathon event in October 2018 where students from two Lambeth schools shared their thoughts and ideas for tackling some of the key challenges facing children and young people.
- 6.4 The Director of Corporate Resources updated members on the current financial position and drew their attention to Appendix A which summarises the projected Capital Ambition fund balance at the end of the 2019/20 financial year.
- 6.5 EY said that income was still being generated by the programme and that they were confident that they could run the programme for another two years. They also gave members a summary of investment made in the last five years, and said that the boroughs were now positively engaging with the programme and there was also a lot of interest attracted nationally.
- 6.6 The Head of Capital Ambition reminded members that the next CAB meeting would take place on 12 December 2018.
- 7. Any Other Business**
- 7.1 There was no other business.

The meeting finished at 15:05

Minutes of the Meeting of the Executive

Tuesday 13 November 2018 10:30 am

Cllr Peter John OBE was in the chair

Present

Member	Position
Cllr Peter John OBE	Chair
Cllr Lib Peck	Deputy Chair
Cllr Teresa O'Neill OBE	Vice chair
Cllr Ruth Dombey OBE	Vice chair
Ms Catherine McGuinness	Vice chair
Cllr Ray Puddifoot MBE	
Cllr Julian Bell	
Cllr Nickie Aiken	
Cllr Georgia Gould	
Cllr Darren Rodwell	
Cllr Muhammed Butt	
Mayor Phillip Glanville	Substituting for Cllr Clare Coghill

London Councils officers were in attendance.

1. Apologies for absence and announcement of deputies

Apologies were received from Cllr Clare Coghill for whom Mayor Phillip Glanville was deputising.

2. Declaration of interest

During the meeting Ms Catherine McGuinness declared a non-pecuniary interest in the exempt item 7 *Proposed Revenue Budget and Borough Subscriptions and Charges 2019/20* as a member of the City of London Common Council in relation to its position as freeholder of the Southwark St offices.

3. Minutes of the Executive Meeting held on 19 June 2018

The minutes of the Executive meeting held on 19 June 2018 were agreed.

4. London Office of Technology and Innovation

The Director, Local Government Performance and Finance introduced the report saying:

- The report outlined proposals for a London Office of Technology and Innovation (LOTI). The LOTI would build London's capacity to collaborate on digital and smart technology innovation and to scale up the application of successful innovation across London's public services
- The development of the proposal had been led by the GLA, with support from London Councils and a number of active London local authorities. It envisaged a three-year commitment from London Councils and the GLA to a work programme led and facilitated by a team of three, which would be both based at and part of London Councils. The estimated cost of around £440,000 p.a. to be funded by the GLA, London Councils and participating London local authorities
- LOTI would provide services to all London local authorities and the GLA to build digital capability, some additional services to a core group of London local authorities and related services to the GLA
- The proposals were based on the assumption of joint funding, with the GLA and London Councils each contributing £100,000 p.a. and participating London local authorities each contributing £30,000 p.a.. A further assumption inherent in the calculations behind the proposal was that of eight boroughs participating with six being a minimum.

Cllr Ray Puddifoot asked that the three-year commitment for participating boroughs set out in the report be made clearer and Cllr Ruth Dombey pointed out that her borough, Sutton, had already made a considerable investment in data along with other south-west

London boroughs and without greater clarity on what the projected three staff would do, she could not support the proposal.

Mayor Philip Glanville suggested that it was something of a chicken-and-egg situation and that boroughs may step forward if they see London Councils and the GLA taking a lead. The need to be involved in developing work on data was widely recognized but boroughs were arguably too small to carry it forward and the GLA too big.

Cllrs Muhammed Butt, Darren Rodwell and Georgia Gould expressed their support for the proposals and the Executive agreed to note that formal support for London Councils managing and part-funding the LOTI for three years from 2019/20, subject to it achieving the active commitment and financial support of at least six London Local Authorities, would be sought via Urgency arrangements.

5. Audited Accounts 2017/18

Director of Corporate Resources informed the Executive that he would be introducing the next three reports:

- The external auditors issued unqualified opinions on all three accounts – for the Joint Committee, Grants Committee and TEC. The report summarised the differences identified between the pre-audited and audited figures and provided members with a brief explanation of the changes. London Councils' Audit Committee approved the audited accounts at its meeting on 18 September 2018.

The Executive agreed to:

- Note the changes between the pre-audited and audited financial outturn for 2017/18 for each of London Councils' three committees and
- Formally adopt each of the three statutory accounts attached as appendices.

6. Month 6 Revenue Forecast 2018/19

The report analysed actual income and expenditure after the six month of the current financial year and highlighted any significant variances emerging against the approved budget.

The Executive agreed to note the overall forecast surplus as at 30 September 2018 (Month 6) of £1.612 million and note the position on reserves as detailed in the report.

7. Proposed Revenue Budget and Borough Subscriptions and Charges 2019/20

The report proposed the level of boroughs subscriptions and charges to be levied in 2019/20, together with the consolidated revenue income and expenditure budget for 2019/20.

- A range of new pressures that had emerged during the course of the current year meant that, for the first time since 2011/12, there was a projected deficit for the Joint Committee for 2019/20, amounting to £347,000. The Joint Committee had, typically, delivered surpluses at the end of the year in comparison to its initial budget, but clearly a deficit budget could not be set at the beginning of the year.
- The organisation was currently reviewing its priorities with members and was undertaking a range of internal work as part of the London Councils Challenge process. Both of these exercises would better enable the organisation to identify a clear strategy in the Autumn of 2019 that would include further potential reductions in expenditure, or increases in income, or a combination of the two. That would be the opportune moment to deal with any deficit by putting the future budget on to a sustainable basis for the medium term
- Significant ongoing savings had been delivered over the period since 2011/12
- Officers, after a discussion with the Chair, recommended that the Executive ask Leaders' Committee to agree that the projected deficit in 2019/20 of £347,000 be covered by a one-off draw-down from uncommitted Joint Committee reserves. These reserves would still remain as £3.264 million after such a draw-down, which equated to 34.6% of estimated Joint Committee operating expenditure of

£9.436 million for 2019/20. This was considered sufficient for London Councils to remain financially resilient to cover any future unforeseen eventualities.

Cllr Puddifoot commended the budget report and strategy.

Cllr Nicki Aiken argued against the use of reserves and, on a division called by the Chair Cllr Aiken voted against but the other members of the Executive agreed to recommend that the Leaders' Committee approved the use of reserves in the way set out in the report at their meeting on 4 December 2018.

The Executive agreed to recommend that the Leaders' Committee at their meeting on 4 December 2018 agree the following borough subscription and charges:

- The proposed Joint Committee subscription for boroughs of £161,958 per borough for 2019/20, no change on the charge of £161,958 for 2018/19
- The proposed Joint Committee subscription for the MOPAC and the LFC of £15,410 for 2019/20, no change on the charge of £15,410 for 2018/19
- An overall level of expenditure of £6.909 million for the Grants Scheme in 2019/20 (inclusive of £241,000 gross ESF programme), a reduction of £1.759 million on the total budget of £8.668 million for 2018/19 and
- That taking into account the application of £58,000 ESF grant and £183,000 from earmarked Grants Committee reserves, net borough contributions for 2019/20 should be £6.668 million, the same level as for 2018/19.

The Executive also agreed to recommend that the Leaders' Committee endorsed the following subscription and charges for 2019/20 for TEC, which would be considered by the TEC Executive Sub-Committee on 15 November, before being presented to the main meeting of TEC on 6 December for final approval:

- The Parking Core Administration Charge of £1,500 per borough and for TfL (2018/19 - £1,500)
- No charge to boroughs in respect of the Freedom Pass Administration Charge, which was covered by replacement Freedom Pass income (2018/19 – no charge)

- The net Taxicard Administration Charge to boroughs of £338,182 in total (2018/19 - £338,182)
- No charge to boroughs and TfL in respect of the Lorry Control Administration Charge, which was fully covered by estimated PCN income (2018/19 – no charge)
- The Parking Enforcement Service Charge of £0.3760 per PCN, which would be distributed to boroughs and TfL in accordance with the number of PCNs issued in 2017/18 (2018/19 - £0.4226 per PCN)
- The Parking and Traffic Appeals Charge of £28.75 per appeal or £25.08 per appeal where electronic evidence was provided by the enforcing authority (2018/19 - £30.63/£27.02 per appeal). For hearing Statutory Declarations, a charge of £23.23 for hard copy submissions and £22.50 for electronic submissions (2018/19 - £25.21/£23.53 per SD)
- Congestion Charging Appeals – to be recovered on a full cost recovery basis, as for 2018/19, under the new contract arrangement with the GLA
- The TRACE (Electronic) Charge of £7.53 per transaction (2018/19 - £7.53)
- The TRACE (Fax/Email) Charge of £7.70 per transaction, which was levied in addition to the electronic charge of £7.53 per transaction, making a total of £15.23 (2018/19 - £15.23) and
- The TEC Charge of £0.175 per transaction (2018/19 - £0.175).

On the basis of the above proposed level of subscriptions and charges, the Executive agreed to recommend to the Leaders' Committee:

- The provisional consolidated revenue expenditure budget for 2019/20 for London Councils of £385.173 million
- The provisional consolidated revenue income budget for 2019/20 for London Councils of £383.449 million
- Within the total income requirement, the use of London Councils reserves of £1.724 million in 2019/20.

The Executive also agreed to recommend that the Leaders' Committee note:

- The position in respect of forecast uncommitted London Councils reserves as at 31 March 2019 and
- The positive statement on the adequacy of the residual London Councils reserves issued by the Director of Corporate Resources.

8. Nominations to Outside Bodies

The Chief Executive introduced the report saying that it was a report that was brought to the Executive each year, normally in May -but later in an election year - detailing the appointments that London Councils made to outside bodies with a calculation of the proportionality of those appointments relative to the three political party groups respective strengths on Leaders' Committee. That calculation showed that current appointments are broadly in line with proportionality.

The report also notified members of recent appointments.

The Executive agreed to note the report.

The meeting ended at 11:10am.

Action points

	Item	Action	Progress
4.	London Office of Technology and Innovation <ul style="list-style-type: none">• Formal support for London Councils managing and part-funding the LOTI for three years from 2019/20, subject to it achieving the active commitment and financial support of at least six London Local Authorities, would be sought via Urgency arrangements.	Local Government Performance and Finance/CG	Done