

Leaders' Committee

5 February 2019 – 11:30 am

At London Councils offices, 59½ Southwark St., London SE1 0AL

Refreshments will be provided

London Councils offices are wheelchair accessible

Labour Group: Room 2 and 3 9:30

Political Adviser: 07977 401955)

Conservative Group: Room 5 9:30

(Political Adviser: 07903 492195)

Room 4 9:30

Liberal Democrat Group:

(Political Adviser: 07858 924941)

Contact Officer: Derek Gadd

Telephone and email: 020 7934 9505 derek.gadd@londoncouncils.gov.uk

Lunch will be provided in Room 4 for members after the meeting

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- TEC – 11 October 2018
- GLPC – 18 October 2018
- YPES – 8 November 2018
- TEC Executive – 15 November 2018
- Grants Committee – 21 November 2018
- CAB – 12 December 2018
- Executive – 15 January 2019

***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

The Chairman to move the removal of the press and public since the following items are exempt from the Access to Information Regulations. Local Government Act 1972 Schedule 12(a) (as amended) Section 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

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London Councils

Minutes of the London Councils Leaders' Committee held on 4 December 2018
Cllr Peter John OBE chaired the meeting

Present:

BARKING AND DAGENHAM	Cllr Darren Rodwell
BARNET	Cllr Richard Cornelius
BEXLEY	Cllr Teresa O'Neill OBE
BRENT	Cllr Muhammed Butt
BROMLEY	-
CAMDEN	Cllr Patricia Callaghan
CITY OF LONDON	Ms Catherine McGuinness
CROYDON	Cllr Tony Newman
EALING	-
ENFIELD	Cllr Nesil Caliskan
GREENWICH	Cllr Danny Thorpe
HACKNEY	Mayor Philip Glanville
HAMMERSMITH & FULHAM	Cllr Sue Fennimore
HARINGEY	Cllr Joseph Ejiofor
HARROW	Cllr Graham Henson
HAVERING	Cllr Damian White
HILLINGDON	Cllr Ray Puddifoot MBE
HOUNSLOW	Cllr Steve Curran
ISLINGTON	Cllr Richard Watts
KENSINGTON & CHELSEA	Cllr Elizabeth Campbell
KINGSTON	Cllr Liz Green
LAMBETH	Cllr Lib Peck
LEWISHAM	Mayor Damien Egan
MERTON	Cllr Stephen Alambritis
NEWHAM	Mayor Rokshana Fiaz OBE
REDBRIDGE	Cllr Jas Athwal
RICHMOND UPON THAMES	Cllr Gareth Roberts
SOUTHWARK	Cllr Peter John OBE
SUTTON	Cllr Ruth Dombey OBE
TOWER HAMLETS	Mayor John Biggs
WALTHAM FOREST	Cllr Clare Coghill
WANDSWORTH	-
WESTMINSTER	Cllr Nickie Aiken

Apologies:

BROMLEY	Cllr Colin Smith
CAMDEN	Cllr. Georgia Gould
EALING	Cllr Julian Bell
HAMMERSMITH & FULHAM	Cllr Stephen Cowan
WANDSWORTH	Cllr Ravi Govindia CBE

Officers of London Councils and from the Metropolitan Police:

- Ms Cressida Dick, Commissioner
- Sir Stephen House, Assistant Commissioner and Deputy Commissioner Designate
- Mr Mark Simmonds, Deputy Assistant Commissioner

- Ms Rebecca Lawrence, MOPAC Chief Executive

and Ms Sophie Linden, Deputy Mayor for Policing were in attendance.

1. Apologies for absence and announcement of deputies

The apologies and deputies listed above were noted.

2. Declarations of interest

No interests were declared.

3. Minutes of the Leaders' Committee meeting 9 October 2018

The minutes of the Leaders' Committee meeting on 9 October 2018 were agreed.

4. Crime and Policing

The Chair welcomed the guests from the Metropolitan Police and the Mayor's Office for Policing and Crime (MOPAC) and asked Cllr Lib Peck (Labour, Lambeth, Crime and Public Protection) to introduce the item. In her introductory comments, Cllr Peck suggested that the BCU structure and serious violence may be usefully explored in the discussion and invited the colleagues from the Met to address Leaders' Committee:

Commissioner Cressida Dick:

- Began by offering her thanks for outstanding service to outgoing outgoing Deputy Commissioner, Sir Craig Mackey. He would be replaced by Assistant Commissioner Sir Stephen House, and the Commissioner invited him to introduce himself
- Sir Stephen House gave his background: Metropolitan Police 2001-7, five and a half years in Strathclyde and setting up Police Scotland before returning to London
- The Commissioner resumed by outlining her concerns, issues and priorities:
 - Tackling violent crime
 - Improving public confidence in the police

- Creating a well-led and equipped force
- Transforming the Met for the future in a tight financial climate
- She welcome the strategies published by the Home Secretary and Mayor of London
- Explosion of online crime
- The levelling off, after a steep rise, in violent crime
- The reduction of moped crime by 50% in the last year
- Knife crime plans were in place in all boroughs and knife attack injuries were levelling-off and beginning to fall
- BCUs were just one aspect of the changes coming about in the Met
- The Met was a local police service and would remain one.

Ms Sophie Linden, Deputy Mayor for Policing continued:

- Hard work was being put into setting up the Violent Crime Reduction Unit (VRU) to which currently staff were being recruited
- The Violent Crime task Force was doing commendable work
- She was grateful to London Councils and the boroughs for their support in setting up this partnership
- Every borough was now covered by a Knife Crime Action Plan and London Councils was helping share and build on practice
- Changes in organisational structure in the Met reflected the fact that it was operating with less officers.

Mayor Philip Glanville (Labour, Grants, Hackney) reflected on the progress made in the last year with the Met on a range of issues and urged that this progress should be sustained even in the current financial climate.

Cllr Nicki Aiken (Conservative, Schools and Children's Service, Westminster) expressed concerns that:

- The new Violent Crime Reduction Unit should not be made up of highly-paid bureaucrats and

- That compensation cases could be brought by those suspected criminals on mopeds who may suffer injury if impacted by police pursuit vehicles under the new policy of *pursuit with contact*.

Cllr Ray Puddifoot (Conservative, Health and Care, Hillingdon) raised the unsatisfactory response he had received from MOPAC and the MPS to a proposal concerning joint funding of a police station in his borough.

Cllr Elizabeth Campbell (Conservative, RBK&C) was keen to see a connection made between the VRU and the voluntary and community sector. She was also interested in the future of the Patrol Plus Scheme.

Cllr Liz Green (Liberal Democrat, Kingston) commented:

- The BCU went live just after the election where control of her borough changed so she would be keen to meet to meet Ms Linden to discuss this
- The 15 minute target response time was at 85% in her borough before the BCU went live. It was now at 60% and varied across her borough, in some areas it was as low as 50%
- Could the Met publish response times across London and invite comments?

Cllr Ruth Dombey OBE (Liberal Democrat, Sutton) pointed out that:

- There was an understandable emphasis on serious and knife crime but in Sutton crime was going up and she wanted to express her reservations about the degree to which south west London was receiving adequate profile for issues that mattered to local people
- She was worried that in the new structure this was less obvious. Public reassurance needed to be looked at
- Over the past twenty years there had been significant improvement in community and neighbourhood policing and this had benefitted all partners. We did not want to lose that
- Closure of custody suites caused serious concerns
- There was some information filtering out on potential loss of section 92 officers which she would like to receive information about,

Ms Catherine McGuinness (Independent, City) reported that she was a member of the City Bridge Trust which laid great emphasis on borough and voluntary sector involvement in policing and urged engagement with London Funders.

Cllr Joseph Ejiofor (Labour, Haringey) stressed the importance of building trust with communities and called for council leaders to be consulted if there was any change in police tactics including the deploying of armed officers on the streets.

Cllr Nesil Caliskan (Labour, Enfield):

- Noted the concerns in her borough around violent crime
- Praised her excellent borough commander and offered her borough up as an example of the value of partnership working and the tangible results it could achieve
- Had no doubt about the correlation between the reduction in police numbers and the increase in crime
- Welcomed the renewed focus on analytical work and the use of data and on prevention
- Argued that the role of local authorities in support of policing was quite specific and should not seem to cross over into operational policing.

Cllr Gareth Roberts (Liberal Democrat, Richmond) pointed out that:

- His borough was part of a very large BCU and echoed earlier points about the perception of crime among residents in south west London and the degree to which the new structures added to this
- He was also unhappy with cuts in the LCPF allocation in Richmond.

Cllr Richard Watts (Labour, Islington) complained that his borough had lost a third of its officers and there need to be joint lobbying to get this reversed.

Cllr Richard Watts (Labour, Islington) wanting to know what MOPAC was doing to lobby around resources for capital city policing.

The Chair concluded the questions from members by pointing to the current scenes of rioting on the streets of Paris as an example of what can happen if the police lose control of the streets and remembered the similar scenes that had happened on UK streets in 2011. He

hoped that preparations were in place for any disorder that may accompany the exit from the European Union next March.

Members of the Metropolitan Police and the Deputy Mayor for Policing and Crime responded to Leaders' Committees questions and comments:

- The Violent Crime Reduction Unit would be small, lean and agile and was designed to add value
- Mr Mark Simmonds would respond to Cllr Puddifoot on the police station in Hillingdon. Ms Linden will keep an overview of this issue as well.
- *Pursuit with contact* was not a new policy (it was nine months old), it may be that the current level of concern may have been fanned by videos on social media. Only highly-trained drivers were allowed to use this technique and there were only ever 60 cases a year. Officers have always been allowed to use force as long as it was justified
- A meeting with Cllr Green would be arranged
- London Funders was recognised as a reference group and the Mayor was also investing in small hyper-local organisations
- There was an encouraging level of public engagement on the issue of tackling violent crime, wherever the Commissioner went in London people were asking her "What can I do to help?" This was a common feature of cities such as New York but needed further development in London.
- The scenes in Paris were shocking but relations between the police and the public there were very different to those in London
- Lessons from 2011 had been learned and there was a strong investment in community relations in London and a resilience to stop adverse issues developing
- On Patrol Plus, this was an increasingly difficult scheme to run in an environment of constrained resources. It had worked in an era of growth but was increasingly bending borough policing out of shape. In future, the MPS would come forward with a new offer, but it would be less financially advantageous. The offer was likely to be out on the table in the near future.
- Response time data would be shared as part of a commitment to transparency
- Two years ago there had been an extensive discussion about local as well as national priorities

- Lobbying was around making the case for London and the capital strategy but it was acknowledged that there was a huge gap between what was needed and what was being received
- There would be no change in policing tactics in Tottenham, or anywhere else, without consultation with boroughs and others – there were no current plans to make any changes
- The Met constantly sought to understand how different boroughs and their populations felt about policing across different parts of London and the differences needed to be factored in sympathetically
- Police numbers were important, but were not the only thing to consider in terms of realising objectives for a safe city
- There was some discussion on whether Richmond had lost out in terms of London Crime Prevention Funding or not.

Cllr Peck concluded by saying that the key issues were around resources, confidence and community involvement and that even if boroughs did not have all the answers they were the closest to the community and alive to its concerns.

The Chair thanked the Commissioner and her team and the Deputy Mayor and her officers for attending Leaders' Committee.

Leaders' Committee agreed to note the work by London partners to tackle serious violence.

The meeting agreed to adjourn for a private discussion.

5. Feedback from Joint Boards

Cllr Peck reported on the London Crime Reduction Board (LCRB)

The three items discussed at LCRB on 30 October were:

- Progress on Knife Crime Action Plans and Violence Reduction Unit
 - It was designed to add value - not duplicate existing work, including work to tackle knife crime and action on violence against women and girls.

- Integrated Victims and Witnesses Commissioning
 - MOPAC were commissioning a new Integrated Victims and Witnesses Service. During the consultation prior to the introduction of this service some concerns were expressed by the voluntary sector in relation to appropriately experienced domestic violence advocates and MOPAC had amended the specification to ensure that these specialist skills were retained.
- Justice Devolution – Towards a second and Memorandum of Understanding (MoU)
 - Since the MoU was signed by London Councils, the Mayor and Justice Secretary, three principal areas were being considered for a second MoU in summer 2019:
 - Improving court-based services to victims and witnesses
 - Probation design /CRC future and joint commissioning (there had subsequently been constructive conversations at officer level)
 - Community provision for female offenders.

Councillor Peck had informed the Deputy Mayor that she did not perceive a strong borough appetite to re-open questions about the changing footprint for Youth Offending Services.

6. Exiting the EU – Update on Local Engagement

Cllr Clare Coghill (Labour, Business, Enterprise and Good Growth, Waltham Forest) introduced the item:

- Last week she, with Cllr Peter John OBE, had attended the Brexit Ministerial Local Government Delivery Board, along with other local government representatives. Secretary of State Rt Hon James Brokenshire - chaired the meeting and updates were received from the Cabinet Office, DExEU and BEIS Ministers on preparations
- Contingency planning in relation to the possible impacts of 'no deal' was being taken forward under the auspices of the statutory London Resilience Forum, at the request of Government
- Common issues that had been identified by boroughs included:

- Workforce – Boroughs were concerned that future restrictions to EU migration could exacerbate skills shortages e.g. in social care and construction
- Communities – Boroughs are planning to monitor the potential impact on community cohesion and many had plans in place to provide support to European residents throughout the EU settlement scheme process.

Mayor John Biggs (Labour, GLPC, Tower Hamlets) raised the question of communication with residents and asked that best practice be shared, especially given the febrile atmosphere that might develop and particularly around reassuring in respect of the issue of settled status. Mayor Rokshana Fiaz OBE (Labour, Newham) agreed and suggested it was overlain on the work on London Councils priorities; there was a danger that local London issues could get drowned out by the national story. Cllr Graham Henson (Labour, Harrow) further endorsed the point and suggested that the Home Office needed to work with councils on communicating on settled status.

The Chair summed up by saying that some boroughs were further ahead than others but borough chief executives should be aware of the work of the LRF. He asked that an item be put on the next Leaders' Committee agenda.

Leaders' Committee agreed to note the report.

7. London Youth Games

The Chief Executive introduced the item saying that it was a briefing on recent developments. London Youth Games would be writing formally to boroughs when it had concluded negotiating about a potential new sponsorship agreement.

Leaders' Committee agreed to note the briefing from the London Youth Games.

8. Collaborative Housing Projects

Cllr Darren Rodwell (Labour, Housing and Planning, Barking and Dagenham) introduced the item:

- There were two new ways of working collectively on housing: PLACE and Capital Letters
- Together, the two projects brought nearly £50m of additional value into London to support boroughs in meeting housing demand.
- Capital Letters jointly procured temporary accommodation for boroughs through a limited company, supported by three years of grant funding from MHCLG
- PLACE brought additional units of modular accommodation for use on meanwhile sites. Through the GLA Innovation Fund the project would receive £11m to produce 200 such units
- He urged the twelve boroughs that had yet to respond to the request to supply build figures to do so.

Leaders' Committee agreed the information sharing process for Capital Letters and noted the imminent launch of the PLACE project.

9. London Councils Grants Scheme - Budget Proposals 2019/20

Mayor Glanville introduced the report:

- He thanked officers for their efforts in producing the report
- It set out the proposed budget for the Grants Scheme for 2019/20 which sought to deliver the priorities already agreed by Leaders' Committee
- The Grants Committee meeting on 21 November agreed to recommend that Leaders' Committee approve these proposals.
- He drew attention to the challenges associated with ESF funding which would be considered by Grants Committee in March next year.

The Leaders' Committee agreed:

- An overall level of expenditure of £6.909 million for the Grants Scheme in 2019/20 (inclusive of £241,000 residual gross ESF programme);
- That taking into account the application of £58,000 ESF grant and £183,000 from accumulated reserves, borough contributions for 2019/20 would be £6.668 million;
- That further to the recommendations above, constituent councils be informed of the Committee's recommendation and be reminded that further to the Order issued by

the Secretary of State for the Environment under Section 48 (4A) of the Local Government Act 1985, if the constituent councils have not reached agreement by the two-thirds majority specified before 1 February 2019 they shall be deemed to have approved expenditure of an amount equal to the amount approved for the preceding financial year (i.e. £8.668 million);

- That constituent councils be advised that the apportionment of contributions for 2019/20 will be based on the ONS mid-year population estimates for June 2017
- That subject to the approval of an overall level of expenditure, the Committee agreed to set aside a provision of £574,000 for costs incurred by London Councils in providing staff and other support services to ensure delivery of the Committee's "making of grants" responsibilities, including ESF administration of £139,000 required to wind down the current programme; and
- That a decision on options over the level of Grants Committee reserves going forward should be deferred until the meeting of the Grants Executive Committee in February 2019, with proposals being considered by the main Grants Committee meeting in March 2019. By this time, the end of project position in respect of the S.48 ESF programme would be clearer. The outcome would be brought back to a later meeting of this Committee for approval.

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

The Director of Corporate Resources introduced the report:

- Which 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 and updated Leaders' Committee on the current level of London Councils reserves
- London Councils Executive at its meeting on 13 November agreed to submit these proposals to this Committee for final consideration and approval
- He went on to say that there was no increase in borough subscription proposed and that there had been no increase since 2011/12 and that in addition £6m had been returned to boroughs in one-off payments

- There would, however, be pressures to face. The joint committee normally posted a surplus but that could not be guaranteed in setting a balanced budget and a £347,000 draw down on reserves was proposed.
- This was a strategy that would look to take account of decisions that needed to be taken in respect of the London Councils Challenge and revising London Councils Priorities in the course of 2019.
- There was no increase in TEC charges proposed, in fact an 8% reduction in the cost of parking appeals and tribunals.

Cllr Puddifoot thanked the Finance team and commended the budget as sound.

Leaders' Committee agreed to approve 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 Leaders' Committee also agreed to endorse the following subscription and charges for 2019/20 for TEC, which were considered by the TEC Executive Sub-Committee on 15 November, and which would be 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/£24.49 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)
- The TEC Charge of £0.175 per transaction (2018/19 - £0.175) and
- To approve a transfer of £410,000 from the general reserve to the specific reserves to be used for future project work to be determined by TEC.

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

- The provisional consolidated revenue expenditure budget for 2019/20 for London Councils of £382.765 million
- The provisional consolidated revenue income budget for 2019/20 for London Councils of £381.401 million
- Within the total income requirement, the use of London Councils reserves of £1.724 million in 2019/20.

Leaders' Committee also agreed to note:

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

11. Minutes and summaries

Leader's Committee is recommended to note the minutes:

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

12. London Councils' Urgencies Report

Leaders' Committee agreed to note the reports agreed under London Councils' urgency procedure:

- Business Rates Retention Policy 2019-20' and
- LOTI (London Office of Technology and Innovation)

The meeting ended at 12:40.

Action points

Item		Action	Progress
6.	Exiting the EU – Update on Local Engagement <ul style="list-style-type: none">• An item on Exiting the EU to be put on the next Leaders' Committee agenda.	CG	Completed

Leaders' Committee

Exiting the EU - Update on Local Engagement

Item no: 4

Report by: Doug Flight **Job title:** Head of Strategic Policy
Date: 5 February 2019
Contact Officer: Doug Flight
Telephone: 020 7934 9805 **Email:** doug.flight@londoncouncils.gov.uk

Summary: This paper provides an update on preparatory activity at a local and pan-London level in relation to identifying opportunities and mitigating risks for London local government as a result of the UK's planned exit from the EU.

Recommendations: Leaders' Committee is asked to note this report

Exiting the EU- Update on Local Engagement

1. This paper provides an update on preparatory activity at a local and pan-London level in relation to identifying opportunities and mitigating risks for London local government as a result of the UK's planned exit from the EU.
2. London Councils has been actively engaging with Government, the Mayor of London, and the LGA to ensure that London's particular needs in relation to exiting the EU are heard. We have also continued to engage with boroughs, chief executives and relevant professional networks to support local preparatory activity and promote the exchange of local insights and practice.
3. Contingency planning is being taken forward under the auspices of the statutory London Resilience Forum, at the request of Government.
4. The Ministry of Housing, Communities and Local Government has initiated an information sharing network, with regional Hubs, to facilitate information flow between central government and local councils. London Councils is supporting the collation and exchange of information within London and is seeking to manage the demands on London boroughs by aligning this exercise with the information that is being collated for contingency planning purposes.
5. Leaders' Committee considered a report on preparations for leaving the EU at its meeting in December 2018. The Executive considered an update on progress at their meeting on 15 January 2019. Members were keen to see a more extensive update on progress, which is provided below.

Contingency Planning

6. Local authority contingency planning at a pan-London level is being co-ordinated through the Local Authorities' Panel (LAP), which is chaired by John Barradell, Chief Executive of the City of London. This initiative is operating under the auspices of the statutory London Resilience Forum and working through the Forum's Brexit Contingency Planning Group.
7. The London Resilience Forum is using a risk-based approach, and the Forum's Brexit Contingency Planning Group has set out an approach which covers key areas of risk, including:
 - Business Continuity – supplies / workforce / technical/regulatory/specific
 - Staff welfare
 - Border disruption
 - Critical sectors – health / food / fuel / transport / energy / water

8. A wide range of sectors are represented on the Forum, including London local government, and are contributing to the overall London assessment. Individual London local authorities have stepped up their work to assess the potential impacts of Brexit in the short, medium and long terms.
9. Each authority has nominated an officer as a point of contact on Brexit and they have been asked to provide regular reports which are feeding into the overall assessment. Potential disruptive impacts that have already been identified by local authorities relate to:
 - Supply chain disruption
 - Workforce issues due to EU nationals leaving the UK, impacting on local authorities' ability to maintain critical services
 - Increased numbers of vulnerable people in the community
 - Disruption to the export of waste to EU countries
10. The current focus of contingency planning is on the potential impact of a short-notice no-deal Brexit. That is, the potential impact of no agreement being reached on the Withdrawal Agreement between the UK and the EU, leading to immediate third country status for the UK on 29th March 2019. Potential impacts are currently being assessed, including the impacts in relation to:
 - Health
 - The economy
 - The environment
 - Wider society

The latter point encompasses knock-on impacts of any border disruption – potentially leading to delays in supplies of fresh foods, medical supplies or fuel - with further potential knock-on impacts on transport, as well as broader business continuity.
11. Community cohesion has been identified as an area which might be impacted, with potential protest activity and increased tension within communities. To help manage this, the London Prevent Network has put in place arrangements to monitor the impacts on communities and to collate overall assessments (working with the MPS).
12. The resilience capabilities and tools that have been established for broader purposes will be utilised to tackle identified risks, such as processes for providing humanitarian support or co-ordinating mutual aid.
13. Plans are being developed to scale up the Forum's co-ordination and assessment activity as further clarity emerges about the UK's future relationship with the EU. This may require

the establishment of a formal Strategic Co-ordination Group, with a key role for London local government and a more regular rhythm of reporting from boroughs and other partners.

Pan London Information Sharing

14. The Ministry of Housing, Communities and Local Government (MHCLG) has initiated a national information sharing network, with regional 'Hubs', to facilitate information flow between central government and local councils. The focus is on gathering and organising up to date intelligence and information on the issues of most concern across each region, emerging risks, threats and behaviours, and on any significant localised impacts.
15. John O'Brien, Chief Executive of London Councils, is working with John Barradell, Chair of the London Resilience Local Authorities' Panel to manage the demands on London boroughs by aligning this initiative with the information collation that is required for contingency planning purposes. Borough Brexit contacts will be asked to feed into a unified data gathering exercise and this will be aggregated into a single product to streamline the flow of information between central government and London local authorities.

The data will capture borough intelligence on the short- and medium-term impacts/ action taken/ barriers in relation to:

- Council services and the workforce
 - o Adult Social Care
 - o Children's social workers
 - o Nursery/Early years workers
- Council Tax Payments
- Supply Chain Impacts
- Homelessness approaches
- Business Confidence
- Community Tension
- Key Contingency Planning Metrics

16. John O'Brien has agreed to be the London chief executive lead in respect of liaison with MHCLG about their information sharing network. The Secretary of State was due to have an initial meeting with the regional lead Chief Executives on 24 January 2019 and a verbal

update will be provided to Leaders' Committee. It is hoped that there will be regular opportunities to share information across the nine regional networks.

17. London Councils hopes to make additional use of the exercise to support the collection and dissemination of good practice across boroughs in relation to Brexit preparations and communications with businesses and residents.
18. London Councils continues to support borough Heads of Communications in relation to communicating with the public on settled status and has facilitated engagement between the network and the Home Office. This is being supported by further information, key lines and signposting to good practice.
19. London Councils is working to support the development of additional preparatory arrangements within key London local government service areas. At the time of drafting this report, initial discussions had taken place with:
 - Directors of Children's Services (ALDCS)
 - Directors' discussions have focussed on a range of resilience issues, including social care and education workforce issues. Directors are conscious that a number of boroughs have already, or would be, undertaking local risk assessments and were open to plans for a workshop to inform a more systematic consideration of the issues and potential mitigation.
 - London Care Services has also initiated discussions with a focus on the contingency plans and mitigations that service providers have in place to limit the impact of leaving the EU on their ability to deliver residential care services for boroughs.
 - Environment Directors (LEDNet)
 - LEDNet members and Waste Disposal Authorities are considering Brexit impacts.
 - There is potential for increased difficulty and cost in the disposal of waste in the event of a no deal Brexit, but waste disposal authorities do not anticipate, day one impacts. Where authorities have Refuse Derived Fuel and/ or recycling that is exported, their contractors are currently looking for new UK destinations for that waste. There is a potential impact on recycling performance, if – due to the difficulty of finding a UK-based processor – recycling has to be treated as residual waste.

- There are also Brexit-related workforce issues associated with waste collection and disposal services.
- Directors of Adult Social Care (ADASS)
 - In order to look at the extent of the risk, in collaboration with Health Education England and Skills for Care, Directors have developed a range of scenarios and a Brexit dashboard which has been shared with the wider system.
 - In collaboration with the Healthy London Partnership they are running a Masterclass on the 26 February titled: Brexit - Implications of Brexit for London's health and care workforce. Speakers from Healthy London Partnership (HLP), London ADASS, Skills for Care and Health Education England (HEE) will examine the preparation and implications of Brexit on both the health and social care workforce and support discussions amongst workshop participations as to potential mitigations. The Brexit and European team at GLA will discuss the work they're doing with businesses across various sectors and their findings from a London wide viewpoint to help garner what the health and social care sector can learn from this.
 - ADASS work closely with the London Local Health Resilience Partnership (LHRP) and other key national and regional partners.
- Heads of Human Resources
 - The focus is on workforce issues, including sharing information on approaches to communications with staff and support for staff and their families in making Settled Status applications.
 - Boroughs have initiated a range of communications with staff about Settled Status, including:
 - Holding information-giving sessions with staff to give an overview of the application process and detailing how the organisation will support staff with their application.
 - Providing pro bono legal advice and staff network group.
 - Practical assistance with the application process (e.g. the use of an Android phone).
 - Working to ensure staff feel supported and that authorities can get messages to hard-to-reach groups, such as those without access

to technology and with lower literacy or English as a second language.

- The Prime Minister announced on 21 January 2019 that applicants for Settled Status will not have to pay the previously planned fee.

20. It is intended that the anticipated work with professional networks will focus on systematic mapping and preparation, including assessments of:

- Common workforce planning issues
- Mapping of dependencies on common contractors
- Developing potential guidance / mitigation for boroughs

21. London Councils has held an event to facilitate mutual learning between boroughs who are working to help prepare EU citizens to apply for Settled Status. London Councils has also been actively engaged with London boroughs involved in piloting the Settled Status application process for children in care and care leavers. Private feedback from the pilots is being used in engagement with the Home Office to evidence the need for boroughs to be adequately resourced to support their vulnerable EU residents. London Councils is working closely with the GLA and LGA on the issue.

22. We are currently in discussion with MHCLG officials about the allocation of the £35m funding that the Government has announced for distribution to local authorities in 2018/19 and 2019/20, to support Brexit preparations. In the interim, borough Treasurers have been asked to identify the costs to boroughs of preparing for Brexit. The information received to date suggests that:

- a. Risk management, preparations and planning are largely being managed within existing services budgets. This does not detract from the fact that significant amounts of officer -time have been diverted from other projects and programmes, which is likely to be unsustainable as the intensity of preparations ramps up. We will be pressing for a broad reflection of this as part of the proposals the Government is likely to issue in respect of funding for councils, as set out above.
- b. There are a number of risks related to workforce; property; economic downturn and the supply chain, which may lead to specific cost pressures in a range of areas:
 - i. Contracts and procurement – inflationary pressures

- ii. Salary costs – additional costs for temporary staff due to recruitment challenges, especially in health and social care
- iii. Loss of business rates if companies downsize
- iv. Loss of business rate growth due to companies freezing investment and expansion plans
- v. Increased costs related to any economic contraction (higher homelessness and housing costs, lower council tax income)
- vi. Increased waste and recycling costs, as many materials are currently exported to EU countries

c. Given the current levels of uncertainty about these future localised risks, it is difficult to quantify costs, however Treasurers are giving due consideration to making appropriate and prudent provisions.

23. London Councils has been actively engaging with Government, the Mayor of London, and the LGA to ensure that London's needs in relation to exiting the EU are heard.

- The Chair of London Councils (Cllr Peter John – Leader LB Southwark) and the London Councils Executive Member for Business, Europe and Good Growth (Cllr Clare Coghill) sit on the MHCLG Ministerial Brexit & Local Government Delivery Board. The Executive Member has discussed the issues arising with representatives of other party groups. The Delivery Board also includes senior political representatives from the LGA, County Councils Network, District Councils Network, and the Core and Key Cities Groups. The Board provides a forum for consideration of the impact of exiting the EU with, or without a deal, on local government, including workforce, supply chains, and council services. The Board was due to meet on 24 January 2019 and a verbal update on key points will be given to Leaders' Committee in December 2018.

24. The Government's White Paper on the UK's future approach to immigration announced a consultation on a minimum salary requirement of £30,000 for all skilled migrants seeking five-year visas. The £30,000 minimum earnings rule already applies to non-EU workers in most Tier 2 visa cases but could also apply to migrants from the EU.

25. The Chair of London Councils has written to the Home Secretary, highlighting the challenges that would be presented by the £30,000 salary requirement for London's business, for housebuilding and for local government's ability to recruit skilled social care staff. There may be opportunities for London Councils and regional partners to collaborate over further influencing activity in relation to the proposed salary requirement.

Conclusion

26. It will be important that boroughs continue to plan and prepare for any anticipated place-based impacts and opportunities as a result of the UK exiting the EU.
 27. Information sharing mechanisms have been put in place to support both contingency planning and help the identification of emerging pan-London issues - allowing us to escalate medium-term concerns to Government and support the exchange of practice across boroughs. Pan-London preparations for specific service areas are also being initiated by London's professional networks.
 28. London Councils' influencing work will continue in the run-up to March 2019, working with the LGA and with formal engagement with the Government through the MHCLG Ministerial Brexit & Local Government Delivery Board.
 29. Leaders' Committee is asked to note this report.
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Financial implications for London Councils

No immediate implications.

Legal implications for London Councils

None

Equalities implications for London Councils

None

Leaders' Committee

London Councils' finance lobbying strategy - update

Item 5

Report by: Paul Honeyben **Job title:** Strategic Lead: Finance & Improvement

Date: 4 February 2019

Contact Officer: Paul Honeyben

Telephone: 0207 934 9748 **Email:** paul.honeyben@londoncouncils.gov.uk

Summary

This report updates Leaders' Committee on the latest developments and lobbying activity in relation to the finance lobbying strategy agreed by Leaders' Committee in June 2018. It includes updates on the major events that will shape the local government finance system from 2020: the Spending Review 2019, the Fair Funding Review and 75 per cent Business Rates Retention reforms. It also provides an update on 2019-20 provisional local government finance settlement.

Recommendations

Leaders' Committee is asked to:

- note the progress on finance lobbying with respect to the key events outlined in the report; and
 - consider and endorse the proposed lines in response to the current consultations on the Fair Funding Review and 75 per cent business rates retention.
-

London Councils' Finance lobbying strategy - update

Introduction

1. In June 2018, Leaders' Committee agreed a finance lobbying strategy covering the period to the end of 2019. This report updates Leaders' Committee on the latest developments and activity with regard to the strategy in relation to the major events due to occur before the end of 2019 that will shape the medium term funding outlook for local government into the mid-2020s, namely: the Spending Review, Fair Funding Review and 75 per cent Business Rates Retention reforms. It also provides an update on the 2019-20 provisional local government finance settlement.
2. In November 2018, London Councils' Executive agreed to increase the level of media and communications activity with regard to both the Fair Funding Review and Spending Review. It was recognised that as part of this it would be important to address points made in other parts of the sector that sought to portray London as being treated in an overly generous way by the current system. The launch of the "Investing in the future" Spending Review lobbying campaign in November signalled a deliberate change in this regard. It particularly drew attention to the need for more resources for the sector as a whole, but also set out the key priorities for London local government. The latest consultations on Fair Funding and 75 per cent business rates retention provide a further challenge, and highlight the continuing need to make the case for a funding system that appropriately reflects the needs of urban authorities in general and for London local government in particular.

Provisional LGF settlement 2019-20

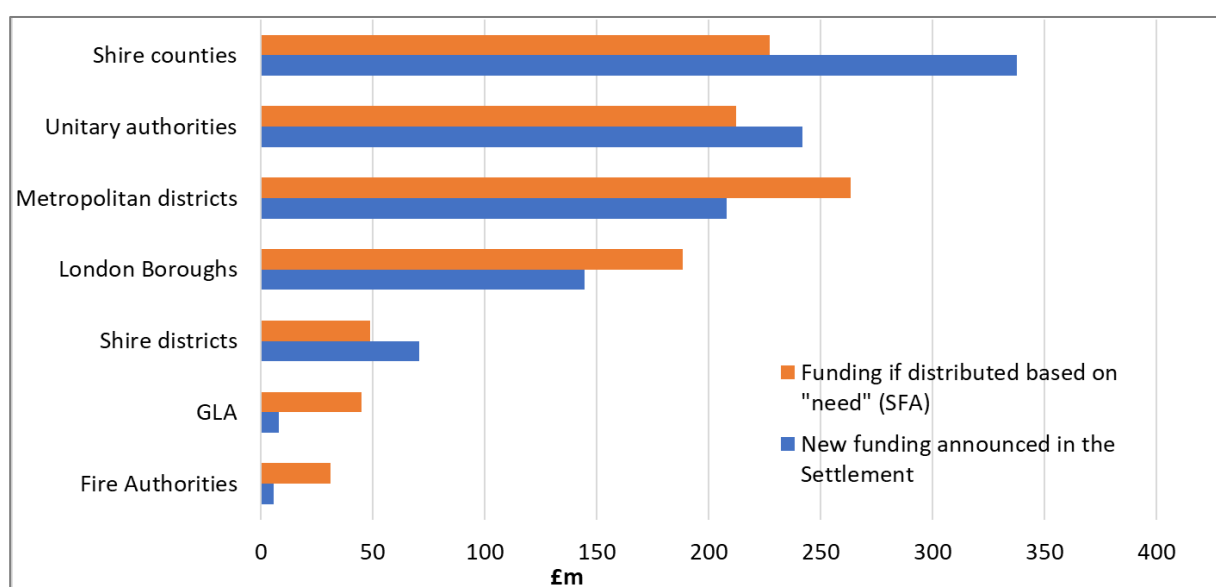
Budget lobbying

3. The 2019-20 provisional local government finance settlement was published on 13 December 2018. By the time of the Leaders' Committee meeting, the final settlement may have been published. A verbal update will be provided.
4. The headlines for London local government from the provisional settlement were that:
 - Settlement Funding Assessment (SFA) will fall by 6.5 per cent in 2019-20 for London Boroughs, confirming real terms cumulative cuts to core funding of 63 per cent across London between 2010 and 2020.
 - Core Spending Power will increase by 2.3 per cent for London Boroughs (compared with 2.8 per cent nationally) in 2019-20.

- The Council Tax referendum threshold will remain at 3 per cent in 2019-20 (the Police precept can be raised by £24).
 - There will be no change to the Adult Social Care precept principle of a maximum of 6 per cent over the three years to 2019-20.
 - £240 million of new funding will be provided in 2019-20 for adult social care “winter pressures” London’s share will be £37 million (15.5 per cent of the England total).
 - £410 million of new funding will be provided in 2019-20 to be spent on adult and children’s social care, distributed using the adult social care relative needs formula. London boroughs’ share will be £63 million (15.5 per cent of the England total).
 - £180 million of business rates levy surplus will be returned to local government in 2019-20, distributed to local authorities based on relative need. London boroughs will receive £33 million (18.5 per cent of the England total).
 - No authority will be subject to “Negative RSG” in 2019-20 at a cost of £152.9 million in foregone business rates nationally (three London boroughs will benefit by a total of £12 million).
 - An additional £16 million will be allocated to councils in rural areas through the Rural Services Delivery Grant in 2019-20.
 - The threshold at which New Homes Bonus is triggered will remain at 0.4 per cent, and the Government will provide an extra £18 million of central funding for NHB.
 - The London 75 per cent business rates retention pilot were confirmed alongside 15 new 75 per cent business rates retention pilots for 2019-20, and the 5 existing pilots will continue in devolution deal areas.
5. In total, the provisional settlement confirmed around £1 billion in direct funding for local government (around £145 million of which will go to London Boroughs) that councils would not have been planning to receive prior to Budget 2018, plus the potential to benefit from greater retention of business rates growth for 16 areas piloting 75 per cent retention next year.
6. London Councils’ consultation response welcomed the announcement of new funding, but raised concerns over its sufficiency, given the cumulative real terms cut to core funding over the decade of 63 per cent and set against the requirement for boroughs to make over £500 million of savings in 2019-20. It also raised concerns over the distribution of some of the new funding that was announced and, in light of the upcoming decisions that the Government will make as part of the Fair Funding Review, the recent trend for the distribution of new funding favouring rural rather than urban areas.

7. While individually these decisions seem small, their cumulative impact is to see a significant shift in resources away from urban areas - where there are significant needs - towards rural areas. For example, Figures 1 and 2 below show the distribution of the £1 billion of new funding by authority type (blue) compared with if it had been distributed purely based on relative needs (orange) - using the distribution that was last calculated in 2013-14. Urban areas (London boroughs, the GLA and metropolitan districts) would have received £136 million more and shire areas (counties and districts) would receive £132 million less.

Figures 1 and 2 - £1bn of new funding in the 2019-20 provisional settlement – distribution by authority type compared with distribution based on relative need



	New funding announced in the Settlement	Funding if distributed based on "need" (SFA)	Difference
Fire Authorities	5.8	31.2	-25.4
GLA	8.0	45.0	-37.1
Shire districts	70.9	48.9	22.0
London Boroughs	144.7	188.5	-43.8
Metropolitan districts	208.1	263.4	-55.3
Unitary authorities	241.8	212.4	29.4
Shire counties	337.6	227.4	110.2
England	1,016.8	1,016.8	0.0

8. With regard to the specific funding streams announced, London Councils' consultation response raised concerns about the weak evidence base underpinning the decision to award more funding to the rural services delivery grant, and the decision to distribute the £410 million of new funding for social care based solely on the adult social care Relative

Needs Formula (RNF), rather than also using the children's social care RNF. London boroughs' share of the adult social care RNF is 15.5 per cent, while their share of the children's social care RNF is 25.5 per cent. If both formulas were used with equal weighting, London would receive £20 million more and county councils £17 million less than is being proposed.

9. A further example, while outside of the main finance settlement, can be seen in the decision announced in December by the DfE to award £250 million of extra revenue funding for children with Special Educational Needs and Disabilities (SEND) over the next 2 years. While welcome, this is being distributed on a per capita basis, using the 2-18 year old population, rather than using the existing High Needs block formula. London boroughs will receive £42 million (17 per cent of the national total). Had the existing high needs formula been used, they would have received 20 per cent of the national total yielding an additional £9 million, while county councils would receive £8 million less.
10. Other concerns raised in the consultation response included the:
 - unfortunate delay in publication of the settlement (but welcoming the broader ambition for it to be published earlier);
 - continued lack of transparency in the finance system;
 - continuation of council tax referendum cap principles;
 - reduction in scale of the London 75 per cent Business Rates Retention pilot; and the
 - changes to the business rates tax base.
11. With regard to communications and media engagement, on settlement day a factual briefing was produced for finance officers, a press release was published¹, and Cllr John gave a reactive interview to BBC London. Further policy briefings were sent to members and London MPs the following day.

Spending Review 2019

12. The date, process and timeline for the Spending Review (SR) remains unknown but is now unlikely to be before the summer. London Councils' officers have been engaging with civil servants as our Spending Review lobbying, and will continue to do so regularly as departmental discussions progress with HMT.

¹ <https://www.londoncouncils.gov.uk/node/34887>

13. The “Investing in the future” lobbying campaign was launched at the London Councils summit in November 2018, with the publication of a detailed briefing and set of key facts and FAQs². The aims of the campaign are to:
- achieve an overall increase in funding for local government in next year’s Spending Review;
 - ensure funding for children’s services, adult social care and homelessness that matches the scale of demand from residents;
 - target investment in value-for-money local government services – by setting out the investment case for local government; and
 - make the case for reform and devolution of local taxes.
14. A further briefing was published on 17 January, specifically aimed at engaging the business community to ensure they are aware of our lobbying messages and to seek support for the common issues on which to lobby government ahead of the Spending Review, for example through joint documents, letters, or Ministerial meetings.
15. The briefing, titled “Investing in the future: Protecting London’s Economy”³, was launched at an event with London First attended by London Councils’ senior officers, Executive members and London First members. It focused on the potential threats to London’s economy if austerity continues in the 2019 Spending Review, calling for London’s local public services to be put on a sustainable financial footing. In particular, it called for London’s housing crisis, creaking transport infrastructure and significant skills gaps to be addressed to safeguard not only London’s economy but the UK’s.
16. The next briefing in the campaign, aimed at engaging voluntary and community sector partners, will be launched at a joint event on 20 February at The Guildhall with London Funders. The aim is to raise awareness of the Spending Review and its importance to London and Londoners, develop a coalition between the voluntary sector and boroughs to influence the Review, and share ideas on how we can best work together to meet Londoners’ needs.
17. Further briefings will be published at regular intervals between now and the Spending Review on key service areas including: children’s service; adult social care; housing; transport; and criminal justice.

² <https://www.londoncouncils.gov.uk/download/file/fid/23689>

³ <https://www.londoncouncils.gov.uk/investing/business>

18. On 14 February the Chair of London Councils is attending a meeting of the Mayor of London and other combined authority Mayors, which will provide an opportunity to raise further awareness of the overall Spending Review campaign messaging, with a particular focus on the role of urban areas. It will also represent an opportunity to develop alliances with regard to the distributional impact of the Fair Funding Review.

Fair Funding Review update

19. The Fair Funding Review, will set new funding baselines for all local authorities from 2020-21 onwards, determining the distribution of an estimated £20 billion across England. The Government published its second consultation on the Review in December 2018. As expected, the Government has used the consultation document to outline its leading options for the structure of the relative needs assessment, covering the suggested funding formulae, the likely cost drivers, and techniques used to weight cost drivers and its preferred approach to the Area Cost Adjustment. It also sets out how the approach to relative resources deduction could be calculated, and high-level principles for transition to the new baselines.

Relative Need

20. With regard to relative need, the consultation proposes an overall structure of the Relative Needs Formula that would include an overarching “foundation formula”, split into upper and lower tier services, based only on a measure of population adjusted for area costs. Measures of deprivation and rurality, which had previously been considered to be part of the overall formula, are not proposed to be included. Seven service-specific relative needs formulae are proposed, in addition to the foundation formula (see Figure 3 below).

Figure 3 – proposed structure of the relative needs formula

RELATIVE NEED FORMULAS		SHIRE AREAS			METROPOLITAN AREAS	LONDON	OTHER
		Unitaries	Counties	Districts	Metropolitan Districts	London boroughs	Fire authorities ⁴
Foundation Formula	Upper tier	●	●		●	●	
	Lower tier	●		●	●	●	
1) Adult Social Care		●	●		●	●	
2) Children and Young People's Services		●	●		●	●	
3) Public Health		●	●		●	●	
4) Highways Maintenance		●	●		●	●	
5) Fire & Rescue ⁵		●	●				●
6) Legacy Capital Finance		●	●	●	●	●	●
7) Flood Defence and Coastal Protection		●		●	●	●	

21. It also proposes that the Area Cost Adjustment includes additional factors reflecting travel times and remoteness, to reflect the variation in the cost of some inputs due to the size of local markets or isolation from major markets. Both are likely to disbenefit London boroughs.

Relative Resources

22. With regard to how to measure relative resources, the consultation proposes using a notional council tax level rather than actual council tax levels. It does not, however, indicate the Government's preferred notional level of council tax. It is proposed that this would be multiplied by a measure of council tax base, including treatment of discounts, exemptions, premiums and local council tax support. The Government proposes to adjust in full for all mandatory discounts, exemptions and premiums, including the pension age element of local council tax support and is consulting on how to treat discretionary discounts and premiums. The consultation asks for views on how to adjust for the working-age element of council tax support, given its mixed mandatory/discretionary nature. It also seeks views on how to take council tax collection rates into account in the resources adjustment and whether to project changes in the council tax base over a number of future years.
23. The Government is minded not to include an assessment of fees and charges in the resources deduction, but is still considering whether to adjust specifically for parking income. Again this would likely disbenefit London boroughs who generated over £650 million (41 per cent of the national total) in parking fees and charges income in 2017-18, and is statutorily ring-fenced to be spent on highways and transport.

Transition

24. With regard to transition - the Government has set out the overarching principles for transitioning to the new baselines (that they ensure stability, transparency, are time limited, and offer a degree of flexibility), and has indicated that the baselines from which the funding will transition should be "a measure of funding in 2019-20", but has not specified a preferred measure, instead it is asking for views on which measure would be appropriate.
25. As yet, it is unclear what the impact of the specific proposals in the consultation will be on London boroughs, but there are some areas of particular concern that suggest the review might result in funding being moved from London to other parts of the county – notably to shire counties.

London Councils' response

26. London Councils' consultation response is likely to raise a number of these concerns.

Whilst not an exhaustive list, the key lines that are likely to be developed include:

- The need for sufficient funding for the system overall from the Spending Review.
- Disagreement that the review must be fiscally neutral, in line with the LGA's "levelling up" proposals that no authority receives less funding than the current system by using the remaining 25 per cent of business rates.
- Concern over the lack of progress of the review since the last consultation, and lack of indication of the potential scale of the impact of the proposals on funding levels, with less than a year until implementation.
- Concern about the potential undercounting within ONS population projections (while welcoming the overall principle of using projections over static figures).
- Significant concern about the proposal not to include deprivation within the foundation formula, which means that around 30 per cent of London boroughs' funding within the formula will not have any deprivation factor.
- Concern about the omission of a service-specific formula for homelessness, and the inference that, as it will be funded through the foundation formula, levels of homelessness are not linked to deprivation.
- Concern about the omission of a service-specific formula for concessionary fares as London spends over £300 million per annum (around 30 per cent of the national total) on this – but has only 16 per cent of the population that would be the main driver of the foundation formula.
- Concern about the omission of specific formulae to reflect the disproportionate cost borne by London boroughs of Unaccompanied Asylum Seeking Children (UASC) and people with No Recourse to Public Funds (NRPF). London boroughs spend a combined £100 million in these two areas each year, while local government *as a whole* spends only around £90 million on flooding and coastal defences, both of which have their own separate formulae under the proposals.
- Concern about the evidence base for the inclusion of journey times and remoteness within the ACA, which will likely have the impact of "watering down" the benefit of the ACA to London boroughs.

- Concern about the exclusion of residential property costs from the ACA (were homelessness not to have its own specific formula) which partly drive the higher costs of housing the homeless through temporary accommodation.
- Concern over the lack of detail about the notional council tax level or its potential distributional impact.
- Concern about the potential implications of using a notional council tax level for low council tax areas – specifically highlighting the need for fundamental reform of the tax and calling for the removal of the council tax referendum limit which prevents these areas from ever “catching up” to a notional average.
- Concern about the proposal to consider the inclusion of parking fees and charges income within the measure of local resources, highlighting that this funding is statutorily ring-fenced to be spent on highways and transport, and that this would add further complexity to the formula.
- Concern about the lack of detail on the proposals for transition (although indicating general support for the principles), and specifically the lack of indication over the proposed length of the reset period.

Next steps

27. London Councils will respond to the consultation by the deadline of 21 February. Sign off will be via Group Leaders. A draft officer response will be circulated to boroughs in early February to ensure alignment of key messages.
28. A set of common lobbying lines on the Review will be sent to all boroughs for inclusion alongside any individual lobbying points when engaging with any print or broadcast media on the Fair Funding Review.
29. A briefing will be sent to all London MPs setting out the main lobbying lines. This follows a meeting of the Chair and Chief Executive of London Councils with the Chairs of the London APPG on 17 January which discussed how London MPs could be more widely engaged on these issues to support London Councils’ lobbying.
30. The launch of the “Investing in the future” has signalled a phase of more active campaigning and media activity with regard to funding. This will include building stronger alliances with other areas of the country on particular issues, most notably (but not

exclusively) with other major urban areas. The meeting with the Mayor and other CA mayors on the 14 February represents an opportunity to do this.

75 per cent Business Rates Retention

31. Alongside the provisional finance settlement and Fair Funding consultation, the Government published its third consultation since 2016 on further business rates retention⁴. It sets out more detail about the parameters of the 75 per cent business rates retention scheme that will begin in April 2020. The consultation covers three broad areas:

- The balance of risk and reward
- Proposals for simplifying the system and reducing volatility
- Setting up the system.

The balance of risk and reward

32. The consultation indicates that the reset of the system in 2020 will be a full or “hard” reset in which business rates baselines will be recalculated and any growth that authorities had accumulated since 2013-14 (the last reset) will be removed. Thereafter, it sets out options for a either a phased or partial reset (the latter is seen as the most desirable option) where authorities retain growth for a number of years rather than experiencing a sharp “cliff edge” of a full reset. It does not specify preferences for the length of the reset period but suggests that full resets should be kept as an option perhaps once every fifteen years.

33. The consultation indicates that the government expects a ‘simple’ safety net to continue, without taking account of the position over more than one year. It does not specify a level but notes that the 75 per cent pilots will use a level that is 95 per cent of baseline funding.

34. With regard to the levy on growth, the Government had previously planned to remove this under the original 100 per cent retention plans, but notes this would require primary legislation. It therefore proposes to continue to have a levy on “extraordinary growth”, and seeks views

on what level should be regarded as extraordinary. The examples it gives are 100 per cent, 150 per cent, 200 per cent and 250 per cent of baseline funding.

35. The consultation proposes to allow two tier areas to be able to decide their own retention splits but indicates that some sort of default level would be required where local

⁴ Available here: <https://www.gov.uk/government/consultations/business-rates-retention-reform>

agreement cannot be reached. The tier split in London between boroughs and the GLA will continue to be determined separately in consultation with London authorities.

36. The Government view is that business rates pools are a desirable element of the system and allow better planning and decision making and a joint approach. The consultation asks for views on how to incentivise pooling, but it includes no specific suggestions.

Proposals for simplifying the system and reducing volatility

37. With regard to the movement of properties between the central and local lists, the Government has ruled out placing hereditaments on the central list purely based on risk. It no longer mentions “area lists” (an idea which previously only London had expressed an interest for).
38. The consultation reaffirms the Government’s commitment to address the issue of the impact of appeals on council budgets. It sets out four options which have been considered but ruled out due to a number of issues including complexity and being counter to legally required accounting practice. The consultation proposes a new approach to the administration of the system which it is calling “the alternative approach” – and regards this as the only viable method of addressing the volatility caused by appeals.
39. In short, the proposal seeks to simplify the retention scheme by separating out the baseline element from the calculation of any growth reward. The impact of appeals would be removed by having “floating” tariffs and top-ups, that would change every year rather than being fixed. Certainty is to be provided by ensuring that authorities receive their income, net of provisions for appeals, equal to their needs assessment plus or minus any growth or decline in business rates and the safety net and levy. The Government states that under this alternative system local authorities would still keep 75 per cent of growth in business rates. Appendix A sets out how the system would work in detail and how it differs from the current system.

Setting up the system

40. This consultation also covers how the business rate baseline would be set if the alternative system is not adopted and business rates retention continues to operate as it does now with fixed tariffs and top ups. It proposes baselines would be based on 2018-19 outturn returns (known as NNDR3s) uprated by inflation, as 2019-20 NNDR3s would not

be available, with averages for appeals and non-collection. It seeks views on how to adjust baselines for appeals provisions.

London Councils' response

41. London Councils' response is likely to:

- Reiterate London Government's long-term ambitions for London to retain 100 per cent of its business rates in future, and disappointment that the new scheme is only 75 per cent.
- Support the LGA view that the remaining 25 per cent of business rates be returned to local government, emphasising the need for transparency in this process.
- Raise concerns over the long- term sustainability of business rates as suitable tax to fund local government.
- Broadly welcome attempts to reduce the "cliff edge" caused by resets and indicate general support for the idea of phased resets which seem to eliminate this completely– but with the need for more illustration of the impact on authorities.
- Raise concern about the impact of a "hard reset" in 2020 - which could cause significant volatility for a number of boroughs – and call for further clarity about any transition to new business rates baselines.
- Express disappointment that the levy on growth will remain and ask for more illustration of the distributional impact of the relative proposals for the new levy on "extraordinary growth".
- Welcome the commitment to pooling but stress the need for it to have financial benefit, suggesting there is no reason that pools couldn't retain more than 75 per cent (as with the pilots in current system).
- Offer suggestions as to how pooling can be incentivised under the 75 per cent scheme – emphasising London's track record of successfully working together and our willingness to continue to develop a London business rates retention system.
- Welcome attempts to simplify the system.
- Welcome the commitment to reducing volatility through removing the impact of appeals, but continue to raise concerns about the current performance of the VOA.
- Broadly welcome the proposed alternative model – while recognising it does not eliminate volatility or complexity completely and call for further reassurances that

the reward element will remain linked to genuine growth and not changed in future by government.

Next Steps

42. London Councils will respond to the consultation by 21 February. Sign off will be via Group Leaders. A draft officer response will be circulated to boroughs in early February to ensure alignment with key messages.

43. Civil servants have indicated a further consultation is planned prior to the summer parliamentary recess to bring both sides of the system together into one set of proposals encompassing the Fair Funding Review and 75 per cent business rates retention. They have intimated that this could include illustrative indications of distributions at the individual authority level. Whether these will be indicative allocations depends on the timing of the Spending Review which would determine the overall spending control total.

Recommendations

44. Leaders' Committee is asked to:

- note the progress on finance lobbying with respect to the key events outlined in the report; and
- consider and endorse the proposed key lines in response to the current consultations on the Fair Funding Review and 75 per cent business rates retention.

Financial Implications for London Councils

None

Legal Implications for London Councils

None

Equalities Implications for London Councils

None

Appendix A – The proposed alternative approach to 75 per cent Business Rates Retention

The table below summarises the similarities and differences between the current system in terms of how it would be likely to operate from April 2020 and the alternative system.

	Current system	Alternative system
Business Rates baseline	Top down system based local authorities share of the amount expected to be collected nationally less national provision for appeals	Business rates to be collected for the year as estimated annually by each authority
Funding baseline	Based on the outcome of the Fair Funding Review including relative needs, relative resources and transition	Based on the outcome of the Fair Funding Review including relative needs, relative resources and transition
Top-up / tariff	Business rates baseline less funding baseline Fixed between resets other than being uprated by inflation every year	Business rates baseline less funding baseline revised each year based on each authority's assessment of business rates collectable plus/minus growth or decline in business rates, the safety net and levy
Safety Net and levy	Applied according to rules and paid separately	No change to the way safety net and levy would work – but any payments would be included in top/up tariff
Treatment of appeals	Provisions for appeals reduces retained business rates growth	Provisions for appeals does not reduce retained business rates growth although actual payment for appeals does
Business rates growth retention gain / decline	75 per cent of difference between actual business rates collected and business rates baseline as adjusted by top-up/tariff and levy/safety net. Need to provide for appeals can reduce benefit of growth retained	75 per cent of difference between actual business rates and estimated business rates baseline (both adjusted to take out the effect of appeals provisions) as adjusted by top-up/tariff and levy/safety net. Need to provide for appeals is taken into account in calculation of top-up /tariff so does not impact on growth retained

Leaders' Committee

Winding-up of the Pensions Common Investment Vehicle Sectoral Joint Committee (PCSJC) Item no: 7

Report by: Christiane Jenkins **Job title:** Director of Corporate Governance

Date: 5 February 2019

Contact Officer: Christiane Jenkins

Telephone: 020 7934 9540 **Email:** christiane.jenkins@londoncouncils.gov.uk

Summary: This report informs Leaders' Committee of the dissolution of the Pensions Common Investment Vehicle Sectoral Joint Committee (PCSJC) which had been constituted under the terms of the London Councils' Governing Agreement, dated 13 December 2001 (as amended).

Recommendations: Leaders' Committee is recommended to note the dissolution of the PCSJC.

Dissolution of the Pensions Common Investment Vehicle Sectoral Joint Committee (PCSJC)

Summary

At its meeting on 14 March 2018 the Pensions CIV Sectoral Joint Committee ("PCSJC") agreed to support new governance arrangements for the London local authorities' participation in, and engagement with, the London LGPS CIV Limited (09136445) as shareholders and investors in that company. The revised arrangements, which provided for the dissolution of the sectoral joint committee ("SJC") - which had been constituted under the London Councils' Governing Agreement dated 13 December 2001 (as amended) with the participating authorities having each delegated relevant functions to be jointly discharged by the SJC - were reported to Leaders' Committee on 20 March 2018 and the PCSJC Annual General Meeting on 12 July 2018.

The legal process for dissolution of the PCSJC is now complete and the SJC has ceased to exist with effect from 11 January 2019, as each participating authority has given formal notice that it has revoked the delegation of the relevant functions to the PCSJC.

Recommendation

Leaders' Committee is recommended to note the winding-up of the PCSJC.

Financial Implications:

The Director of Corporate Resources reports that all payments in respect of the activities of Committee have now ceased.

Legal Implications:

There are no legal implications for London Councils other than those reported above.

Equalities Implications:

There are no equalities implications for London Councils.

Leaders' Committee

Capital Ambition Board Terms of Reference

Item No 8

Report by: Christiane Jenkins

Job title: Director of Corporate Governance

Date: 5 February 2019

Contact Officer: David Dent

Telephone: 020 7934 9753

Email: Christiane.jenkins@londoncouncils.gov.uk

Summary:

This report asks Leaders' Committee to approve expanded Terms of Reference for the Capital Ambition Board which more properly reflect the activities of the sub-committee, and which are consistent with the expanded Terms of Reference agreed in 2016 but which were not subsequently adopted due to administrative oversights.

Recommendation: Leaders' Committee is asked to:

Approve the Terms of Reference for the Capital Ambition Board detailed in the Appendix to this report.

Terms of Reference for the Capital Ambition Board

Introduction

1. This report is being presented to Leaders' Committee to reinstate with immediate effect the Terms of Reference (ToR) for the Capital Ambition Board (CAB) agreed via urgency procedures on 5 September 2016 and subsequently ratified at a previous Leaders' Committee on 11 October 2016 (the 2016 ToR).

Background

2. In September 2016, Leaders' Committee agreed, via urgency procedures, changes to the ToR for CAB in order to clarify CAB's functions relating to the on-going management of the London Ventures support services and consultancy contract and to confirm the delegation to CAB to continue to fund projects that meet the funding criteria agreed by Leaders' Committee on 14 December 2010.
3. Due to an administrative oversight the 2016 ToR were not presented for approval at the subsequent at Leaders' Committee AGMs on 11 July 2017 and 5 June 2018 as required annually under London Councils' Standing Orders. Instead the previous, narrower version of the CAB ToR were approved. Notwithstanding this, CAB has continued to operate and undertake activities in accordance with the broader 2016 ToR.
4. The work of the CAB (a sub-committee of Leaders' Committee) is reported to the joint committee at regular intervals. Thus, any of the CAB decisions reported to the joint committee and falling outside of CAB's approved ToR will have been ratified insofar as Leaders' Committee has not disagreed, altered or otherwise revoked those decisions. Officers can confirm that all decisions taken by CAB were received and ratified by Leaders' Committee, and were within the authority of Leaders' Committee, and so remain valid.
5. To ensure that CAB's ToR properly reflect its activities and the scope of its delegated authority from Leaders' Committee, Leaders' Committee is now asked to approve new Terms of Reference for CAB as presented in Appendix A to this report. The new ToR reinstate the 2016 ToR, and the amendments to the current ToR are marked as tracked changes.

Recommendations:

Leaders' Committee is asked to approve the new Terms of Reference for the Capital Ambition Board detailed in the Appendix which correctly reflect the activities of the sub-committee, and which Leaders' Committee had previously endorsed.

Financial implications for London Councils

None

Legal implications for London Councils

The legal implications for London Councils are included in the body of the report.

Equalities implications for London Councils

There are no direct equalities implications for London Councils as a result of this report.

Appendices

Appendix A - Capital Ambition Board Terms of Reference as agreed at the Leaders' Committee AGM on 5th June 2018 – marked with proposed changes

Background Papers

Leaders' Committee Urgency Report 25th August 2016

Item 8 – Appendix A

Appendix A: Capital Ambition Board Terms of Reference as agreed at the Leaders Committee AGM 5 June 2018 – marked with proposed changes

The Capital Ambition Board will, operating within the policy and governance framework of the Leaders' Committee, be responsible for:

1. Strategic direction and support for improvement, efficiency, transformation and innovation in London local government including by –
 - a. Encouraging participation in, and garnering support for, shared and collaborative solutions in commissioning and service delivery within local government; and
 - b. Engaging with key stakeholders to promote this ethos, products and outcomes; and
 - c. Continuing to fund projects that meet the funding criteria agreed by Leaders' Committee on 14th December 2010.
2. Strategic oversight and operational responsibility for the London Ventures programme including by –
 - a. Managing and monitoring the London Ventures support services and consultancy contract; and
 - b. In accordance with funding criteria agreed by Leaders' Committee on 14 December 2010:
 - i. reviewing business cases and selecting projects under that programme ~~in accordance with funding criteria agreed by Leaders' Committee on 14 December 2010;~~ and
 - ii. commissioning and/or funding activity ~~commercial contracts~~ in line with those funding priorities;
 - c. Undertaking any other functions to support the successful delivery of the London Ventures programme.
3. Oversight and monitoring of the ~~existing~~ portfolio of projects funded by the Board, or its predecessor organisations, and of the efficiency savings that these projects will deliver.
4. Reporting regularly to the London Councils Leaders' Committee on the work of the Board including the status of the investment fund, the London Ventures programme, project performance, and efficiency savings achieved.

Leaders' Committee

Minutes and Summaries

Item no: 9

Report by: Derek Gadd **Job title:** Head of Governance
Date: 5th February 2019
Contact Officer: Derek Gadd
Telephone: 020 7934 9505 **Email:** Derek.gadd@londoncouncils.gov.uk

Summary Summaries of the minutes of London Councils

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

- TEC – 11 October 2018
- GLPC – 18 October 2018
- YPES – 8 November 2018
- TEC Executive – 15 November 2018
- Grants Committee – 21 November 2018
- CAB – 12 December 2018
- Executive – 15 January 2019

Leaders' Committee

Report from the Transport & Environment Committee – 11 October 2018

Item no:

Report by: Alan Edwards **Job title:** Governance Manager
Date: 5 February 2019
Contact Officer: Alan Edwards
Telephone: 020 7934 9911 **Email:** Alan.e@londoncouncils.gov.uk

Summary: Summary of the minutes of the London Councils' Transport & Environment Committee held on 11 October 2018

Recommendations: For information.

1. Attendance: Cllr Syed Ghani (LB Barking & Dagenham), Cllr William Huntington-Thresher (LB Bromley), Cllr Stuart King (LB Croydon), Cllr Julian Bell (LB Ealing - Chair), Cllr Guney Dogan (LB Enfield - Deputy), Cllr Denise Scott-McDonald (LB Greenwich), Cllr Feryal Demirci (LB Hackney), Cllr Wesley Harcourt (LB Hammersmith & Fulham), Cllr Kirsten Hearn (LB Haringey) Cllr Chloe Smith (LB Harrow - Deputy), Cllr Claudia Webbe (LB Islington), Cllr Will Pascall (RB Kensington & Chelsea), Cllr Hilary Gander (RB Kingston-upon-Thames), Cllr Nigel Haslden (LB Lambeth – Deputy), Cllr Brenda Dacres (LB Lewisham), Cllr Martin Whelton (LB Merton), Cllr John Howard (LB Redbridge), Cllr Alexander Ehmann (LB Richmond-upon-Thames), Cllr Richard Livingstone (LB Southwark), Cllr Manuel Abellan (LB Sutton), Cllr David Edgar (LB Tower Hamlets), Cllr Clyde Loakes (LB Waltham Forest), Cllr Jonathan Cook (LB Wandsworth - Deputy), Cllr Tim Mitchell (City of Westminster), and Alex Williams (Transport for London).

2. Apologies for Absence: Cllr Dean Cohen (LB Barnet), Cllr Alex Sawyer (LB Bexley), Cllr Shama Tatler (LB Brent), Cllr Adam Harrison (LB Camden), Cllr Daniel Anderson (LB Enfield), Cllr Varsha Parmar (LB Harrow), Cllr Keith Burrows (LB Hillingdon), Cllr Claire Holland (LB Lambeth), Cllr Brenda Dacres (LB Lewisham), Cllr Rachel Tripp (LB Newham), Cllr John Howard (LB Redbridge), and Christopher Hayward (City of London).

3. London Environment Strategy – Talk by Shirley Rodrigues, Deputy Mayor for Environment
Shirley Rodrigues, Deputy Mayor for Environment, GLA, made some of the following comments:

- The final Environment Strategy was published on 31 May 2018.
- There was a 5-year implementation plan, which would be a joint effort with the boroughs, along with a number of support programmes.
- Goal was to achieve zero percent carbon emissions.
- Refit programme was being rolled out achieving 15 to 20% of energy savings. The NHS is taking an active part in the programme. £100 million capital investment was being invested. Boroughs were encouraged to be part of the Refit programme.
- Funding of up to £15k was being put into communal energy groups, like solar panels in schools (funding had just been allocated to a school in the borough of Ealing for this).
- A "cleaner heat cashback scheme" was now available to assist with the scrapping of old and inefficient boilers, ("warmer homes"). Approximately 700 applications had been received so far.

- Ultra- Low Emissions Zone (ULEZ) was being rolled out in April 2019. Local Authorities needed to be supported by Government with regards to renewal and vehicle scrappage funds.

Shirley Rodrigues thanked London Councils and officers for all their help with the Environment Strategy.

4. Mayor's Transport Strategy – Talk by Heidi Alexander, Deputy Mayor for Transport

Heidi Alexander, Deputy Mayor for Transport, GLA, made some of the following comments:

- London Councils has an important role in the Transport Strategy.
- It was a challenging time, as London was growing faster whilst funding had decreased. London Councils and the GLA needed to work together to ensure that London got the investment that it needed.
- TfL had been asked to make £600 million worth of savings whilst passenger numbers had gone down.
- A joint solution was needed with the Department for Transport (DfT) and the GLA with regards to Crossrail. There was also a strong need to get Vehicle Excise Duty (VED) revenue back to London.
- Goal to increase walking trips to 80%, from 63%, by 2040. Funding was critical.
- There was a need to reduce the dominance of car usage and to ensure that people started walking and using public transport more. There were 25 new cycle routes. There had also been lots of good work carried out to improve the quality of the streets (Healthy Streets needed good public transport).

Q and As for agenda items 3 and 4 were taken together.

The Committee: **(i)** noted that Shirley Rodrigues would take the issue of funding for air quality around schools back to her team, **(ii)** noted that it was important that the burden of the proposed “incineration tax” did not fall on local authorities, **(iii)** noted that a case needed to be made for a review of waste management and the Government/Defra needed to be lobbied on this, **(iv)** agreed that a link on the GLA website giving details on assistance to those needing help with heating their homes in the winter (“Warmer Homes”) would be sent to TEC members, **(v)** noted that boroughs should talk to Alex Williams if they had any major safety concerns regarding the TLRN, **(vi)** suggested that a cross-party lobbying effort should take place with regards to devolving Vehicle Excise Duty (VED) to the boroughs, **(vii)** noted that boroughs would be kept updated with regards to the delivery of new trains on the Gospel Oak to Barking line, **(viii)** noted that the issue of consideration for other passengers on buses would be looked at by TfL, especially with regards to what could be done to encourage this via advertising, **(ix)** noted that Members would let TfL know if any shelters needed to be installed at the proposed new interchanges on bus routes, and **(x)** noted that Members would email Shirley Rodrigues and/or Heidi Alexander with any concerns they had that had not been picked up at the TEC meeting.

5. Highways Asset Management LoTAG State of the City Report, Ian Hawthorne, London Borough of Hammersmith and Fulham

The Committee considered a report that provided details of the data collected from the 32 London Boroughs, the City of London and Transport for London (TfL) on the state of London’s highway asset.

Luke Meechan, Director of Metis Consultants, introduced the report. He thanked the London Transport Advisors Group (LoTAG) for all their work. He informed members that every single borough had been approached regarding the state of London’s highway asset, and all, bar one borough, had given their input.

The Committee: **(i)** noted the suggestion that a separate column be put on the table and titled “segregated cycle track”; and **(ii)** noted and discussed the report.

6. Chair's Report

The Committee received a report that updated members on transport and environment policy since the last TEC meeting on 14 June 2018, and provided a forward look until the next meeting on 6 December 2018.

The Chair said that he had written a letter to Defra and the Chancellor of the Exchequer opposing any proposed incineration tax, and borough support on this would be greatly appreciated.

The Committee: **(i)** noted that members and their officers were encouraged to attend the joint TEC and LEDNet meeting being held on 7 December 2018, and **(ii)** noted the report.

7. Dockless Bicycles – Londonwide Byelaw

This report was now being considered in the exempt part of the agenda.

8. Go Ultra Low City Scheme (GULCS) Update

The Committee received a report that described the progress with the Go Ultra Low City Scheme (GULCS) work streams including the installation of charge points in residential areas, at car club bays, Neighbourhoods of the Future (NoF) and rapid charging points. The report also updated members on the TEC Rapids sub-group and subsequent activity to increase the roll-out of rapid charging infrastructure.

The Committee: **(i)** Agreed that all boroughs would find and submit a list of 20 potential sites for rapid charging infrastructure to TfL by the end of January 2019 (as recommended by the TEC Rapid Charging sub-group), and **(ii)** discussed and noted the report.

9. Fly-tipping Research Report – Introduced by Keith Townsend, Chair of LEDNet

The Committee received a report that set out the results of research undertaken by Keep Britain Tidy on behalf of the London Environment Directors' Network (LEDNet) into the behavioural drivers of fly-tipping.

Keith Townsend, Chair of LEDNet, introduced the report, which was carried out in partnership with local authorities and Keep Britain Tidy. He made some of the following comments:

- In 2017 - £18.5 million was spent on removing litter off our streets as a result of fly-tipping.
- A third of fly-tippers did not actually realise they were fly-tipping.
- Discussions had taken place with residents and businesses and an online survey carried out by residents. The key finding was that a large number of people did not understand what fly-tipping was and that it was against the law to dump rubbish on the streets.

The Committee: **(i)** noted that the following boroughs had put their names forward to take part in running a fly-tipping intervention pilot: Bromley, Greenwich, Hackney, Haringey, Redbridge, Sutton, Tower Hamlets, **(ii)** noted that LEDNet would look at bidding for some of the resources from commercial sponsorships, and **(iii)** noted that LEDNet were working with London Councils regarding the issue of boroughs having strengthened enforcement powers for dealing with fly-tipping.

10. Environment and Traffic Adjudicators Annual Report

The Committee received an Annual Report from the Environment and Traffic Adjudicators for the 2017-18 reporting year, presented to TEC on behalf of the Environment and Traffic Adjudicators, by the Chief Adjudicator, Caroline Hamilton.

The Committee: **(i)** agreed to look into comparing the statistics (appeals) in the Annual Report to the number of appeals in the previous year in order to make any differences clearer, and **(ii)** noted the adjudicators Annual Report for 2017/18.

11. Re-appointment of Environment and Traffic Adjudicators

The Committee considered a report that proposed the re-appointment of two environment and traffic adjudicators under the terms of the Traffic Management Act 2004.

The Committee: **(i)** agreed that the following adjudicator was appointed for a period of 5 years from 5 December 2018: Neena Rach; and **(ii)** agreed that the following adjudicator was appointed until 30 September 2023: Monica Hillen.

12. London Lorry Control Scheme Review Update

The Committee received a report that provided a progress update to the London Lorry Control Scheme (LLCS) review recommendations, as approved by London Councils' TEC in June 2017. The report

also outlined the ongoing and future plans for the more detailed work required on the longer-term recommendations regarding on street operations.

The Committee: **(i)** noted that Councillor Huntington-Thresher would let Spencer Palmer know of any specific details regarding non-compliance of the London Lorry Control Scheme, and **(ii)** noted the contents of the report, the progress to date and the planned work on the remaining recommendations.

13. Taxicard Update

The Committee received a report that provided members with an update of progress towards the implementation of the new Taxicard supply contract in October 2018.

The Committee: **(i)** agreed that members that had not responded to London Councils' proposals regarding revised subsidy structures for Taxicard were asked to ensure their officers responded by the deadline of 12 October 2018, and **(ii)** noted the contents of the report.

14. Freedom Pass Update

The Committee received a report that provided members with an update on the Freedom Pass mid-term review of passes expiring in 2012 and 2019 renewal exercises. The report also requested authorisation for officers to investigate commercial sponsorship opportunities for the Freedom Pass and Taxicard schemes, and to investigate what could be done to reduce the number of replacement passes.

The Committee: **(i)** noted the progress of the Mid-Term Review of the eligibility of Freedom Passes that expired on 31 March 2021, **(ii)** noted progress on the renewal of Freedom passes that were expiring on 31 March 2019, **(iii)** agreed that officers develop a policy approach to organisations that ask London Councils to publicise their services, and sought commercial sponsorship opportunities for the Freedom Pass and Taxicard schemes, and **(ix)** agreed that officers explored what could be done to minimise the number of lost, damaged and faulty passes.

15. Minutes of the TEC Executive Sub Committee held on 13 September 2018 (for noting)

The minutes of the TEC Executive Sub Committee meeting held on 13 September 2018 were noted.

16. Minutes of the TEC Main Meeting held on 14 June 2018 (for agreeing)

The minutes of the TEC Main Meeting held on 14 June 2018 were agreed as being an accurate record.

The meeting finished at 16:55pm

Leaders' Committee

Report from the Greater London Provincial Council – 18 October 2018

Item no:

Report by: Steve Davies **Job title:** Head of London Regional Employers Organisation
Date: 5 February 2019
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 18 October 2018

Recommendations: For information.

1. Attendance: Employers: Cllr Syed Ghani (Sub) (Barking & Dagenham), Cllr Alison Kelly (Sub) (Camden), Cllr Daniel Anderson (Sub) (Enfield), Cllr Christine Grice (Greenwich), Cllr Carole Williams (Hackney), Cllr Philip Corthorne (Hillingdon), Cllr Malcolm Self (Kingston), Cllr Amanda De Ryk (Lewisham), Mayor John Biggs (Tower Hamlets), Cllr Clyde Loakes (Waltham Forest), Cllr Angela Harvey (Westminster). **Unions:** Helen Reynolds (UNISON), April Ashley (UNISON), Kim Silver (UNISON), Sue Plain (UNISON), Gloria Hanson (UNISON), Maggie Griffin (UNISON), Sean Fox (UNISON), Vaughan West (GMB), Donna Spicer (GMB), Jonathan Coles (GMB), Wendy Whittington (GMB), Peter Murphy (GMB), Gary Cummins (Unite), Danny Hoggan (Unite), Henry Mott (Unite). **Others in attendance:** Steve Davies (Employers' Side Secretary), Debbie Williams (Regional Services Officer), Mehboob Khan (Labour Political Advisor), Jade Appleton (Conservative Political Advisor), Daniel Houghton (Liberal Democrats Political Advisor) and Julie Kelly (UNISON).

2. Apologies for Absence: Apologies for absence were received from Cllr Sade Bright (Barking & Dagenham), Cllr Richard Olszewski (Camden), Cllr Nesil Caliskan (Enfield), Cllr Robert Benham (Havering), Cllr Guy Senior (Wandsworth), Simon Steptoe (UNISON), Mary Lancaster (UNISON), Kath Smith (Unite) and Susan Matthews (Unite).

3. Election of Chair and Vice-Chair for 2018-19: Mayor John Biggs (Tower Hamlets) was elected Chair and Donna Spicer (GMB) was elected as Vice Chair for 2018-19.

4. Minutes of the Meeting held on 14 March 2018: The minutes of the meeting held on 14 March 2018 were agreed.

5. Matters Arising: It was noted that Cllr Carole Williams (Hackney) was in attendance on the 14 March 2018 but was omitted from the minutes.

There were no further matters arising from the minutes of the 14 March 2018.

6. To Confirm the Membership of the GLPC and Co-Secretaries of the GLPC for 2018-19: The membership of the GLPC and Co-Secretaries for 2018-19 was noted and agreed as follows.

Borough	Rep	Party
Barking & Dagenham	Sade Bright	Lab
Camden	Richard Olszewski	Lab
Croydon	Simon Hall	Lab
Enfield	Nesil Caliskan	Lab
Greenwich	Christine Grice	Lab
Hackney	Carole Williams	Lab
Havering	Robert Benham	Con
Hounslow	Katherine Dunne	Lab
Hillingdon	Philip Corthorne	Con
Kingston	Malcolm Self	Lib Dem
Lewisham	Amanda De Ryk	Lab
Tower Hamlets	Mayor John Biggs	Lab
Waltham Forest	Clyde Loakes	Lab
Wandsworth	Guy Senior	Con
Westminster	Angela Harvey	Con

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

GMB: Vaughan West, Donna Spicer, Jonathon Coles, Wendy Whittington, Peter Murphy

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

7. Presentation: LGA Strategy for the Local Government Workforce – Naomi Cooke, Head of Workforce LGA: Naomi Cooke, Head of Workforce, LGA presented a sneak preview of some of the headlines of the workforce strategy that the LGA will be publishing in the next few weeks.

Naomi's presentation covered:

- Introduction
- Reasons for a new strategy
- Sectors priorities
- National vision for a workforce
- Achieve the visions with focus on five key themes

Naomi stated that she is in constant feedback mode and would be happy to hear any comments/observations from colleagues.

The Chair highlighted issues relevant in London:

- Brexit – impact on our workforce
- Recruitment and Retention
- Housing and Childcare costs
- Workplace and employment practices – making them better for our workforce

Danny Hoggan (Unite) responded that he is not sure what this paper adds to the debate in local government. Unite see it as an external crisis. Would be interested to hear what the reflections are of Tory councils especially with what has been happening in Kensington & Chelsea. Over the last ten years decisions have affected the workforce and numbers of people have left local government.

The issues are:

- Zero-hour contracts and agency workers.
- Number of interim directors in place.
- Crisis in social care which affects the workforce with no training.
- Thousands of employees are working on zero-hour contracts.

The paper is facile. 95% of people think this is the answer? We are falling off the cliff edge so what do we fall on? The problems are not things we are all not aware of.

The Chair responded that this forum is part of the LGA, we all have different political perspectives but personally does not see this so negatively. Positively these things can drill down to the problems.

Sue Plain (UNISON) stated that she does not agree with her colleague's comments about Kensington & Chelsea. There is no representative here today to defend the council and there is a public enquiry going on at present.

We welcome the idea that central government has no idea what local government actually do. We see this time and time again. We are at the point of a crisis and need to see models of bringing services back in-house. A real examination of the cost of procuring services and bringing them back in-house needs to be undertaken.

Gary Cummins (Unite) stated that there is a problem recognising the five themes in the presentation. Leadership over the last 5-10 years has been to reduce services so this is not a vision.

Conflicting as organisational change is not being focussed on people it is about central government funding. Skills development and training has gone.

Recruitment and retention – how is it proper planning to increase the number of agency workers? This is not planning it is a short-term fix.

We would like to see a strong voice from the LGA to central government to fight for reality.

Naomi Cooke responded that the vision is not about describing the current situation it is what we want to get to. It is not what we think we have now.

The Chair stated that the LGA need to reflect on the feedback and thanked Naomi for her presentation.

8. GLPC London Pay Implementation 2019: Steve Davies, Regional Employers' Side Joint Secretary outlined the GLPC London Pay Implementation 2019 report and informed colleagues the work is ongoing.

The intel from boroughs so far is they are at the early stages of thinking so nothing definitive so far. Welcome hearing if the unions have had any discussions with officers.

Vaughan West (GMB) reported that as far as he knows there are one or two boroughs which have made a move on this. This matter is pressing as councils are currently setting budgets and they need to get a move on. We encourage all councils to engage with the trade unions.

This is a relatively simple exercise. The guidance is clear, but it needs to be done by the end of January 2019 at the very latest.

We urge authorities to use this as an excuse to discuss a new pay deal. There are some concerns in general about pay awards. Some staff historically employed on NJC contracts now work for contractors. Are contractors paying the 2% increase? Contractors are responding they are aware of the historical contracts but do not have the money to pay the 2%.

Gary Cummins (Unite) stated he would like to publicly praise the work that Lewisham has been doing on this. They are favouring option B rather than A. This has been done on some modelling not on an individual's pay band which may result in option A being the preferred option.

April Ashley (UNISON) reported that Lambeth has had one meeting, another planned for a few weeks. Particularly looking at how this affects schools. Personally, would prefer Option A. Are councils undertaking equality impact assessments?

Sue Plain (UNISON) stated that any review of grey bands will need to be put through our national office for equality proofing on the back of single status. Need to anticipate any bottle necks.

Steve Davies, Employers' Side Joint Secretary confirmed to colleagues that the advice circulated identified the need to do equality impact assessments and to consult and negotiate with the trade unions. This has been raised with our HR colleagues over the last few months.

Boroughs are currently thinking like Vaughan West mentioned that this is pretty straightforward but as mentioned previously no intelligence so far.

The Chair stated that the issue with contractors was challenging where they are saying they are unable to fund any increase.

Cllr Carole Williams (Hackney) informed colleagues that they are proposing to go with option A which should be relatively straightforward.

The Chair encouraged all to keep talking.

9. Regionalisation of Adoption Services: The Chair introduced Maggie McGrath, Programme Lead for London Adopt. Maggie informed colleagues:

- Government agenda for regional adoption services.
- Set principles set out by government for regional adoption service for London.
- Ealing, Havering, Southwark and Islington will host the project Boards.
- Four Project Managers with a distinct Project Board.
- Maggie will co-ordinate projects pan-London wide looking at shared issues.
- Currently 28 boroughs involved. Harrow gone with another sector.
- TUPE gone for nationally or secondment if there has been an issue.
- Agreed with Unions to consult on each of the four business cases.
- Consultation period November-January.
- Proposing to go live April 2019.
- Government want all to go live by April 2020.

Sue Plain (UNISON) thanked Maggie for her update and highlighted a number of observations:

- We are no further forward in our understanding.
- This has been going on for three years and the trade unions have not been involved.
- Concerned with TUPE and adoption leave – fostering teams left behind will lose resources if made in to smaller teams.
- How will resources be allocated to the Boards? Where will it get scrutinised?
- What will the local accountability be?
- The hosting boroughs only have four DC's.
- Loss to how this will improve service delivery – will it improve the time to complete the process?
- Want assurances that this is where it stops.
- What migration is in place to prevent social workers leaving the service and other disruptions to their current working – high level agency workers.

Would ask that the GLPC issue joint guidance on:

- Negotiating relocation packages

- Retaining staff.
- Reducing travel for staff.
- Split function and how this is referred.

The Chair agreed and welcomed the points Sue has made.

Sean Fox (UNISON) raised concern that we do not know what is included, will TUPE apply? Services may have commitments in their current working locality. There are issues around job roles, harmonisation etc.

It is unacceptable that this work has gone on in the background. When London Councils are hosting a project or plan the unions need to be informed and included. We are concerned that we are not being.

The Chair responded that he is going to take this matter up with the leadership of London Councils as this needs to be addressed.

Maggie McGrath responded to Sue Plain's observations:

- There should be union representatives on each of the models and urges the unions to engage with us.
- HR work streams have been set up.
- Project managers are happy to set up a meeting and include the unions.
- Will get the Executive to respond as to why the unions have not been invited to the table previously.
- Challenging discussions over the summer regarding budgets.
- Some London boroughs have resourced adoption services better than others.
- Agreement that everyone would put in what their allocated budgets are.
- It has not been easy and budget discussions have taken longer than expected.
- Adoption services quite stable, not as many agency staff as with social workers.
- Allocation of staff – models taking account of an agile workforce. Some staff may be travelling in to base.
- Numbers of staff are quite small so currently mapping out so they are able to work more flexibly in their boroughs.
- Not a signed off model, we have principles which we are happy to share with the trade unions.
- Governance for London – still more to be done to see what the Executive Board will look like going forward.
- Funding formulas will be written.
- Go-live nationally has seen a shift within the plan.
- Benchmark/performance – DfE are saying it is working but it depends who you ask.
- Some guidance that adoptions are quicker due to sharing – think it is too early to tell.
- Government want TUPE but as we know there are risks.
- Would be very surprised if redundancies happen. This is not an efficiency exercise to reduce teams.
- Not picked up anything about privatisation of the service.

The Chair reiterated that he will urgently take up with the Leadership of London Councils to get a clearer picture of the Executive.

10. London Living Wage (LLW): The Chair stated that very few staff should be on lower than the LLW. As colleagues are aware Bromley determine their own rates.

Cllr Alison Kelly (Camden) highlighted the following from the report:

“Living Wage Employers are encouraged to send out a communication to everyone they do business with letting them know they have committed to ensure all staff earn a real Living Wage and encourage them to consider doing the same. Accreditation does not require the supply chain to pay the Living Wage, unless they are regularly delivering service on your premises.”

Camden has contractors saying they are not paying the LLW and we need to get this changed. This is against what we all want. Can we as a group who have a little bit of power move things forward?

Sue Plain (UNISON) stated that progress has been made in Home Care due to UNISON's Ethical Care Charter. There is also the Residential Care Charter.

Danny Hoggan (Unite) stated that the issue is around what councils actually know about the provisions. We have asked boroughs if they know to which they all responded no.

Can we get a London-wide audit through your good selves?

We would like to see the summary list of LLW boroughs and those who have been accredited again.

Gary Cummins (Unite) stated that the beast has come back to bite us. We need to have serious conversation about people being paid a serious wage.

Sue Plain (UNISON) informed colleagues that there is an alternative on the market. Some boroughs offer business rate relief to organisations to encourage bottom rate pay.

April Ashley (UNISON) stated that we need to think about bringing services back in-house so we know staff are being paid LLW. Zero-hour contracts need to go.

11. Any Other Business: Universal Credit – Sean Fox (UNISON)

Concerned regarding the latest news on the impact of universal credit on the workforce in London. This is causing serious concern for our members. Wandering what the Employers' Side are doing about universal credit.

The Chair responded that this is a late AOB and not aware of London's position as present. Agreed this be an item on the GLEF agenda where a written update be shared with all looking at the good/bad practice issues.

There was no further business.

12. Date of next meeting: The next meeting would be held on **Thursday 18 October 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 12.57pm

Young People's Education and Skills Board

Date	8 November 2018	Venue	London Councils
Meeting Chair	Cllr Georgia Gould		
Contact Officer	Anna-Maria Volpicelli		
Telephone	020 7934 9779	Email	Anna-maria.volpicelli@londoncouncils.gov.uk

Present

Cllr Georgia Gould (Chair)	London Councils Shadow Executive member (Labour)
Gail Tolley (Vice-Chair)	Association of London Directors of Children's Services
Yolande Burgess	London Councils Young People's Education and Skills
Steven Mitchell	Association of Employment and Learning Providers (for Jane Hickie)
John Prior	Association of Colleges/NATSPEC (for Dr Caroline Allen OBE)
Mary Vine-Morris	AoC London Region
Laraine Smith	AoC/Further Education College representative
Sarah Wilkins	Greater London Authority (for Joanne McCartney)

Guests and Observers

James Lee	Greater London Authority (for Joel Mullan)
Ben Manson	Quality Assurance Administrator, London Councils

Speakers

Steve Preston	MIME Consulting
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Officers

Anna-Maria Volpicelli	London Councils Young People's Education and Skills
Peter O'Brien	London Councils Young People's Education and Skills

1 Welcome, Introductions and apologies

- 1.1 The Chair invited attendees to introduce themselves and noted apologies for absence.

2 Declarations of interest

- 2.1 There were no declarations of interest.

3 Minutes of previous meeting and actions arising

- 3.1 The notes of the previous meeting were agreed

4 Post 16 Special Educational Needs and Disabilities Review

- 4.1 Steve Preston, MIME Consulting, and Yolande Burgess presented the early findings from the London Post 16 Special Educational Needs and Disabilities (SEND) Review, undertaken by MIME Consulting on behalf of the GLA and London Councils Young People's Education and Skills.

Actions:

- YB to discuss with GLA colleagues bringing the launch of the review forward
- YB to speak with James Lee regarding Education, Health and Care Plan identification/categorisation

5 Work Plan 2019-2020

- 5.1 Yolande Burgess presented the Young People's Education and Skills Work Plan for 2019 to 2020 on behalf of the Operational Sub-group.

6 Achievements and Progression

- 6.1 Peter O'Brien talked through a paper which provided a headline summary of London region and borough performance of statistics on achievement at GCSE, GCE, Applied GCE A/AS level and other equivalent qualifications in 2017/18 by the Department for Education on 16 October 2018.

Action: YB and Joel Mullan/James Lee to report back to the next meeting on increasing Apprenticeship take-up.

7 "Love Our Colleges" Campaign

- 7.1 Mary Vine-Morris spoke to her paper on the "Love Our Colleges" Campaign. The report sets out the background behind the campaign and explains its ultimate goal is to get government to boost further education (FE) funding based on a 'manifesto'.

Action: MVM to provide an update on the campaign for circulation to Board members.

8 Updates

Raising the Participation Age

- 8.1 Peter O'Brien talked to the latest report on Not Engaged in Education Employment or Training (NEET) and Not Known figures.

Policy Update

- 8.2 Yolande covered the policy update outlining the key changes affecting 14 to 19 policy since the last meeting.

Actions:

- YB to speak with London Councils Head of Business and Enterprise, Stephen King, on how the roll out of T Levels in London can best be supported
- London Councils to share the reports identified in the paper with the ASCL Commission

London Post-16 Education Trajectories Review

- 8.3 Yolande gave a verbal update on the progress of the research discussed at the last meeting, which London Councils and GLA have commissioned into the destinations and experiences of young people post-16.

London Ambitions

- 8.4 Yolande provided a verbal update on the London Ambitions programme and invited Sarah Wilkins to update the members on recent developments with the London Ambitions Portal. the Careers and Enterprise Company.

9 AOB

- 9.1 The proposed 2019-2020 schedule of meeting dates was agreed.

Leaders' Committee

Report from the TEC Executive Sub Committee – 15 November 2018

Item no:

Report by: Alan Edwards **Job title:** Governance Manager
Date: 5 February 2019
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 15 November 2018.

Recommendations: For information.

1. Attendance: Cllr Julian Bell (LB Ealing – Chair), Cllr William Huntington-Thresher (LB Bromley), Cllr Guney Dogan (LB Enfield, Deputy), Cllr Denise Scott-McDonald (RB Greenwich), Cllr Claudia Webbe (LB Islington), Cllr Manuel Abellan (LB Sutton), Cllr Richard Field (LB Wandsworth) and Cllr Tim Mitchell (City of Wandsworth).

2. Apologies for Absence

Apologies for absence had been received from Cllr Feryal Demirci (LB Hackney), Cllr Rachel Tripp (LB Newham), and Christopher Hayward (City of London).

3. Urban Design London (UDL) – Presentation by Sue Vincent (Head of Learning, UDL) and Paul Dodd (Head of Design Advice, UDL)

Sue Vincent (Head of Learning, UDL) introduced the presentation and made the following comments:

- UDL worked closely with the London Boroughs, especially with regards to borough feedback.
- Copies of the various UDL programmes were available for members to take away from the meeting, including the "Councillor's Companion".
- UDL had recently carried out site visits to the boroughs of Ealing and Enfield.
- UDL members included TfL, Housing Associations, London Boroughs, GLA, London Councils and South East Planning Authorities.
- UDL focussed on issues like the Mayor's London Plan.

Daniel Moylan and Councillor Haselden, Co-Chairs of UDL Board made the following comments:

- Councillors Haselden and Moylan were London Councils' appointments to the UDL Board and were present to report back on UDL work to London Councils.
- UDL was grateful for London Councils continued support. The UDL team had kept the product very fresh.
- The staffing issue regarding the secondment to UDL had now been resolved.
- A longer-term problem existed in that the UDL did not have a formal identity as an organisation, only as a corporation. A review of governance had therefore been carried out, with the results of this expected on Monday 19 November 2018.

Q and As took place.

The TEC Executive Sub Committee: **(i)** agreed that Alan Edwards would send round the UDL draft outline programme with TEC Executive members, and **(ii)** noted that when UDL had undertaken the review on its Governance, an update would be brought back to TEC.

Agenda item 6 was taken next.

6. Cycle Action Plan (CAP)

Andy Simmonds, TfL, introduced the Cycle Action Plan presentation. He sent apologies from Will Norman, the Walking and Cycling Commissioner, TfL, who was due to present to the TEC Executive Sub Committee but was unable to attend. Andy Simmonds made the following comments:

- A modal shift target for 80% of trips in London by walking, cycling or using public transport to be achieved by 2041.
- The growth of cycling had increased greatly and was now the fastest growing mode of transport (730,000 cycle trips were made every day in 2016).
- There was a 54% increase in cycling levels on East West Cycle Super Highway and a 56% increase in cycling levels on Quietway 1 (between 2001 to 2016).
- A large number of trips could be carried out by cycling (especially journeys of 5km and under).
- There was a great deal of cycling potential in inner and outer London.
- The role of the CAP was to set out the 5-year investment programme. The key issue was to have a collaborative approach to delivering actions by TfL, boroughs and other partners.
- More consultation needed to take place with the boroughs.

Q and As took place.

The TEC Executive Sub Committee: **(i)** agreed that detail of the draft Cycle Action Plan would be shared with TEC members, **(ii)** noted safety issues regarding cycle routes to stations vs pedestrians needed to be highlighted. The issue of cycle storage also needed to be mentioned, **(iii)** agreed that the Cycling Action Plan presentation would be distributed to TEC members via email, and **(iv)** agreed to take back to Will Norman the issue of a specific funding pot being made available for the Cycle Action Plan.

4. Draft Consultation Response to TfL's Central London Bus Service Review

The TEC Executive Sub Committee received a report informing members of the review that TfL was conducting into the Central London Bus Service. London Councils planned on providing a submission on the proposals.

Owain Mortimer introduced the report and made the following comments:

- TfL's changes would affect 33 bus routes in the form of frequency, curtailment, route restructuring and three bus service withdrawals.
- The impact would be negligible on journey times overall.
- The reason for the review of bus services was that bus usage had reduced by 12% overall (data was available on this).
- The key principal behind London Councils' response was to get the evidence behind the proposals to change the bus services.
- There were accessibility issues for vulnerable groups as a result of the increase in interchanges on bus routes.
- There was not a great deal of linkage to the changes to bus services and the Healthy Streets or air quality agendas.

The TEC Executive Sub Committee: **(i)** noted that there was also strong opposition to the cut to the No 53 bus service, as this route affected three boroughs with the poorest neighbourhoods, and **(ii)** agreed that the Chair and vice chairs of TEC would sign off the final consultation response to TfL's Bus Service Review.

5. Future Mobility: Recognising and Seizing Opportunities in London

The TEC Executive Sub Committee considered a report that informed members of the major impact that new technology had on London's transport sector. The report suggested a more active role for London Councils' TEC to drive this policy agenda forward.

Katharina Winbeck, Head of Transport, Environment and Infrastructure, London Councils, said that the issue of "Future Mobility" had been discussed at TEC in December 2017, and had now been reinvigorated by Paulius Mackela, the new Principal Policy and Project Officer at London Councils. She said that TEC was now taking up a more active role on this issue, without the need to set-up new councillor working groups. Katharina Winbeck said that it was now proposed to set-up a Task and Finish Group for each of the separate policy areas. The groups would comprise of officers from boroughs and other relevant stakeholders. The TEC Executive Sub Committee would oversee this process.

The TEC Executive Sub Committee: **(i)** agreed to set up temporary Task and Finish groups, with political oversight through the London Councils TEC Executive Sub Committee meetings, **(ii)** agreed that car-sharing schemes would be the first focus area of the proposed Future Mobility Agenda, and **(iii)** noted that the issue of autonomous buses could be addressed in one of the Task and Finish groups.

7. Transport & Mobility Performance Information

The TEC Executive Sub Committee received and noted a paper that detailed the London Councils' Transport and Mobility Services performance information for Quarter 2 in 2018/19..

8. TEC Month 6 Revenue Forecast 2018/19

The TEC Executive Sub Committee received a paper that outlined actual income and expenditure against the approved budget to the end of September 2018 for TEC and provided a forecast of the outturn position for 2018/19.

The TEC Executive Sub Committee: **(i)** noted the projected surplus of £1,184,000 for the year, plus the forecast net underspend of £1,256,000 for overall Taxicard trips, 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 6-8.

9. Draft Revenue Budget & Borough Charges 2019/20

The TEC Executive Sub Committee considered a report that detailed the outline revenue budget proposals and the proposed indicative borough subscription and charges for 2019/20.

The Executive-Sub Committee was asked to recommend that the main Committee approve at their meeting on 6 December: **(i)** the Parking Core Administration Charge of £1,500 per borough and for TfL (2018/19 - £1,500; paragraph 38), **(ii)** the Parking Enforcement Service Charge of £0.3760 per PCN which would be distributed to boroughs and TfL in accordance with PCNs issued in 2017/18 (2018/19 - £0.4226 per PCN; paragraphs 36-37), **(iii)** no charge to boroughs in respect of the Freedom Pass Administration Charge, which was covered by replacement Freedom Pass income (2018/19 – nil charge; paragraph 15), **(iv)** the Taxicard Administration Charge to boroughs of £338,182 in total (2018/19 - £338,182; paragraphs 17-18), **(v)** no charge to boroughs in respect of the Lorry Control Administration Charge, which was fully covered by estimated PCN income (2018/19 – nil charge; paragraphs 19-20), **(vi)** Environment and Traffic Adjudicators (ETA) – 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/£24.49 per SD) (paragraphs 26-27), **(vii)** Road User Charging Adjudicators (RUCA) – to be recovered on a full cost recovery basis under the new contract arrangements with the GLA (paragraph 28), **(viii)** a unit charge of £12 for the replacement of a lost or damaged Freedom Pass (2018/19 - £12; paragraph 10), **(ix)** the TRACE (Electronic) Charge of £7.53 per transaction (2018/19 - £7.53; paragraphs 29-35), **(x)** 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; paragraphs 29-35), **(xi)** the TEC Charge of £0.175 per transaction (2018/19 - £0.175; paragraphs 29-35), **(xii)** the provisional gross revenue expenditure of £368.828 million for 2019/20, as detailed in Appendix A, and **(xiii)** on the basis of the agreement of all the above proposed charges as outlined in this report, the provisional gross revenue income budget of £368.641 million for

2019/20, with a recommended transfer of £187,000 from uncommitted Committee reserves to produce a balanced budget, as shown in Appendix B.

Agreed that a sum of £410,000 be transferred from the general reserve to the specific reserve, and recommend that the Main Committee approved the transfer in December 2018 (as set out in paragraph 58 of the report)

The Executive-Sub Committee was also asked to note the indicative total charges to individual boroughs for 2019/20, dependent upon volumes generated through the various parking systems, as set out in Appendix C1.

10. Minutes of the TEC Executive Sub Committee held on 13 September 2018

The minutes of TEC Executive Sub Committee held on 13 September 2018 were agreed as an accurate record.

11. Minutes of the TEC Main Meeting held on 11 October 2018

The minutes of the TEC Main meeting held on 11 October were noted.

The meeting finished at 12:02pm

Leaders' Committee

Report from the Grants Committee – 21 Item no: November 2018

Report by: Ana Gradiska **Job title:** Principal Governance and Projects Officer
Date: 5 February 2019
Contact Officer: Ana Gradiska
Telephone: 020 7934 9781 **Email:** Ana.gradiska@londoncouncils.gov.uk

Summary: Summary of the minutes of the London Councils' Grants Committee held on 21 November 2018.

Recommendations: For information.

1. Attendance: Cllr Saima Ashraf (LB Barking and Dagenham), Cllr John Hart (dep - LB Barnet), Cllr David Leaf (LB Bexley), Cllr Margaret McLennan (LB Brent), Cllr Jonathan Simpson (LB Camden), Alderman Dhruv Patel (City of London), Cllr Philip Glanville (Chair – LB Hackney), Cllr Patrick Perryman (dep - LB Haringey), Cllr Sue Anderson (LB Harrow), Cllr Viddy Persaud (LB Havering), Cllr Gerard Hargreaves (RB Kensington and Chelsea), Cllr Sam Foulder-Hughes (RB Kingston upon Thames), Cllr Andy Wilson (LB Lambeth), Cllr Jonathan Slater (LB Lewisham), Cllr Edith Macauley (LB Merton), Cllr Helen Coomb (LB Redbridge), Cllr Gareth Roberts (LB Richmond), Cllr Marian James (LB Sutton), Cllr Paul Ellis (LB Wandsworth) and Cllr David Harvey (City of Westminster).

Cllr Foulder-Hughes has replaced Cllr Jon Tolley as the RB Kingston representative.

2. Apologies for Absence and declarations of interest:

2.1 Apologies were received from Cllr Richard Cornelius (LB Barnet), Cllr Colin Smith (LB Bromley), Alderman Alison Gowman (City of London), Cllr Miranda Williams (RB Greenwich), Cllr Ben Coleman (LB Hammersmith and Fulham), Cllr Mark Blake (LB Haringey), Cllr Charlene McLean (LB Newham), Cllr Candida Ronald (LB Tower Hamlets) and Cllr Louise Mitchell (LB Waltham Forest).

2.2 Cllr Helen Coomb (LB Redbridge) declared that her sister was a trustee of Redbridge CVS.

3. Minutes of the Grants Committee AGM held on 11 July 2018

3.1 The minutes of the Grants Committee AGM held on 11 July 2018 were agreed. The Chair drew members' attention to the fact that subsequent to the AGM, political proportionality was applied when forming the Grants Committee Executive which resulted in the following configuration: 10 members - 5 Labour, 3 Conservative, 1 Liberal Democrat and 1 City of London.

4. Performance of Grants Programme 2017-21, April 2017 – September 2018 (quarters one to six)

4.1 Yolande Burgess, Strategy Director, London Councils, introduced this paper and said that programmes under Priority 1 and Priority 2 were performing well and were rated green on the RAG rating system. LB Southwark's housing solutions service was the first local authority housing service in the country to achieve accreditation for good practice and commitment to recognising and responding to

domestic abuse. Co-located work undertaken by Shelter was also noted and will be showcased at a future Grants Committee.

4.2 However, Priority 3 programmes remained a challenge. The Citizens Trust had withdrawn from delivery (immediately prior to the Grants Committee AGM) due to issues with meeting delivery targets. London Councils has been liaising with other Priority 3 partners to ensure coverage to boroughs affected and have now come to an agreement with Paddington Development Trust, who will cover all the boroughs except LB Richmond. London Councils will seek a suitable partner to cover LB Richmond. Ms Burgess said she was confident that this would could be achieved.

4.3 The Grants team at London Councils had undertaken a mid-programme review in October 2018 and found the programmes overarching aims and objectives remained fit for purpose. The team will continue to liaise with Priority 1 partners and policy colleagues at London Councils to assess the impact the Homelessness Reduction Act may have on commissions.

5. Priority 3: Tackling poverty through employment - partner perspective

5.1 Ross Diamond and Harjit Sangha from Redbridge CVS talked about the successes and challenges of delivering a Priority 3 project. Redbridge CVS delivers two commissions for Priority 3 – Outreach East and Aim Higher. These provide support to long-term unemployed and economically inactive people who may have mental health conditions, substance misuse problems, and other barriers to employment. Both projects aim to help people back into employment through improving their confidence, skills, employability and health. Participants are offered personalised advice, access to work experience, CV building, interview skills, money management advice, and other forms of support.

6. Month 6 Revenue Forecast 2018/19

6.1 Frank Smith, Director of Corporate Resources, London Councils, introduced this report which outlines actual income and expenditure against the approved budgets for 2018/19 to the end of September 2018 and provides a forecast of the outturn position for 2018/19.

6.2 Mr Smith said that currently a surplus of £110,000 is forecast over the approved budget and that projected total reserves of £892,000 are forecast at the year end, of which £259,000 relates to residual borough contributions towards the funding of the ESF commissions collected over the past three financial years. He added that from this financial year, boroughs are no longer contributing to the ESF programme, and that payments to providers are scheduled to end in June 2019.

7. London Councils Grants Scheme - Budget Proposals 2019/20

7.1 Mr Smith introduced this report, which outlines the proposed budget for the Grants scheme for 2019/20. He added that should this budget meet with approval, it will then go to December's Leaders' Committee for ratification, and then the City of London for final approval as the designated council for the Scheme.

7.4 Members agreed the budget proposals for 2019/20 (subject to the agreement of London Councils Leaders' Committee on 4 December 2018).

8. Grants Committee Proposed Meeting Dates for 2019/2020

8.1 Grants Committee noted the proposed meeting dates for 2019/20. Cllr Roberts asked that the September 2019 and September 2020 Grants Executive dates be changed as they clash with the Liberal Democrat annual conference. London Councils officers said that alternative September dates would be forwarded to members shortly.

The meeting finished at 12.20

Leaders' Committee

Report from the Capital Ambition Board Item no: – 12 December 2018

Report by: Ana Gradiska **Job title:** Principal Governance and Projects Officer
Date: 5 February 2019
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 12 December 2019

Recommendations: For information.

1. **Attendance:** *Members:* Cllr Steve Curran (Chair - LB Hounslow), Cllr Stephen Alambritis (LB Merton), Cllr Victoria Mills (LB Southwark), Cllr David Simmonds OBE (LB Hillingdon), Kevin Davis (RB Kingston upon Thames); *London Councils:* Frank Smith, Guy Ware Thomas Man, Thomas Nisbeth, Eliza Ackland, Ana Gradiska; *EY:* Victoria Evans, Chess Dennis; *Oxygen Finance:* Andrew Drinkwater.
2. **Apologies for Absence and declarations of interest:** Andrew Blake Herbert (Chief Executive, LB Havering), John Hooton (Chief Executive, LB Barnet), Sarah Ireland (Director, Corporate and Commercial, RB Kingston upon Thames) and Paul Najsarek (Chief Executive, LB Ealing) sent their apologies for absence. There were no interests declared.

Anton Nisbeth, the new Capital Ambition Programme Manager, introduced himself and was welcomed by members.

3. Minutes of the meeting held on 22 October 2018

- 3.1 The minutes were agreed as an accurate record of the meeting held on 22 October 2018.

4. London Ventures presentation – Oxygen Finance

- 4.1 Andrew Drinkwater, Oxygen Finance Sales Director, outlined the main features of his programme, which offers a peer to peer early repayment solution created initially for local authorities and their supply chain. It accelerates payments to SMEs from LAs for a reduction in the amount that is invoiced.
- 4.2 EY added that London Ventures takes a proportion of the income generated by Oxygen Finance in addition to minimum working capital payments, which go into the sustainability fund.
- 4.3 The Head of Capital Ambition, Thomas Man, said that Fiscal Technologies, the other London Ventures partner who was due to present, had sent apologies, and would attend a future meeting.

5. Director's Report and London Ventures (LV) progress update

- 5.1 The Head of Capital Ambition, introduced this report, which provides a summary of activity funded by the Capital Ambition Board since October 2018. He drew members' attention to the current financial position (outlined in paragraphs 1-4 and Appendix A) including the potential unallocated balance of £173,418 at 31 March 2020. He added that the income received from LV partners was contained within the sustainability fund, and could, subject to the approval of the board, be used to support continuation of the programme beyond the funded period of August 2019.
- 5.2 Mr Man also updated the meeting on the behavioural insights projects, which includes improving decision making in children's social care, improving communications on prevention and early health, and improving immunisation rates of MMR. In relation to the Health and Social care work supported by CAB, among the many activities supported by CAB's grant funding was the Health and Care Conference, hosted by London Partners and attended by the Mayor of London, took place on 25 October 2018.
- 5.3 A general update on general ventures activity was provided to the Board with a number of meetings having taken place since October 2018.
- 5.4 Members were also updated on the progress of Targeted Ventures Cycle 1, for the homelessness, temporary accommodation and housing solutions.
- PLACE: the contract for the design and manufacture of the modular units was due to be awarded in January 2019;
 - Property Listing platform: the PLP contract which provides the IT platform was due to be awarded by the end of January 2019;
 - Transition insurance: a bid has been submitted to MHCLG to roll out the scheme in London and other metropolitan cities;
 - Predictive analytics - awaiting governance decisions with the host borough.
- 5.4 Mr Man reminded members that they were all invited to the next Dragon's Den meeting on 18 January 2019. The Chair encouraged members to attend if they were available.
- 5.5 EY said that 40 organisations had approached them since March 2018 to be part of the London Ventures programme. In addition, four implementations had taken place since the last Capital Ambition Board. Fiscal Technologies had started operating in Newham, LB Havering and LB Tower Hamlets, and that the Cornerstone Partnership had started operating in West Sussex.
- 5.6 The report was noted.

6. Any Other Business

- 6.1 There was no other business.

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

The meeting finished at 11.30

Minutes of the Meeting of the Executive

Tuesday 15 January 2019 9:30 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 Clare Coghill	
Cllr Georgia Gould	
Cllr Darren Rodwell	
Cllr Muhammed Butt	
Cllr Ravi Govindia	Substituting for Cllr Nickie Aiken

London Councils officers and Ms Laura Citron, Chief Executive Officer of London and Partners were in attendance.

1. Apologies for absence and announcement of deputies

Apologies were received from Cllr Nickie Aiken for whom Cllr Ravi Govindia was deputising.

2. Declaration of interest

Ms Catherine McGuinness declared a non-pecuniary interest in the item 4 *London and Partners* as a member of its board.

3. Minutes of the Executive Meeting held on 13 November 2018

The minutes of the Executive meeting held on always 13 November 2018 were agreed.

4. London & Partners

The Chair asked Ms Catherine McGuinness to introduce Ms Laura Citron, Chief Executive Officer of London and Partners. Ms McGuinness did as follows:

- London and Partners was the Mayor of London's promotional agency
- It was a public/private partnership
- Its aim was to promote and sell London, attracting and retaining as much business as possible

Ms McGuinness then invited Ms Citron to address the Executive. She did as follows:

- The purpose of London and Partners was to promote London internationally as a city in which to invest, work, study and visit
- It is a not-for profit public private partnership founded in 2011 with half its funds coming from the Mayor of London and the remainder from commercial ventures and European and national funds
- Her aim in addressing London Councils Executive was to seek ways of working with boroughs both more and better
- London and Partners main areas of work were:
 - Trade and growth
 - Inward investment
 - Major events
 - Business tourism
 - Higher education and talent and
 - Leisure tourism
- It only measured its success through value it generated additional to whatever would have accrued without it
- On that measure it had added £1.5bn to London's economy
- It was nine months into a three-year strategy (2018 – 2021) that would focus on:

- *Where?* Core markets: North America, India, China, France and Germany
 - *What?* The sectors where London was strongest and would benefit the most
 - Financial and business services and tech
 - Innovation and life sciences
 - Creative
 - Urban and
 - Tourism
 - *When?* Reaching people earlier in their decision-making
 - *Who?* Younger first-time visitors who would bring lifetime value and businesses who would generate good growth for London
 - *How?* Working in partnership
 - *Keep?* retain businesses and talent affected by Brexit.
- Working with boroughs
 - A relationship manager was assigned to each borough
 - Representing London on world stage at events like MIPIM
 - The Mayor's International Business Programme worked with businesses of a certain size but were growing rapidly
 - Tourism hubs had been developed with boroughs (for example Greenwich)
- Responding to Brexit
 - The business.London website was established in 2018 targeting businesses and skilled individuals in key sectors
 - Much investment in London used to come by default but now more decision-making was involved
 - The biggest danger from Brexit did not come from changes to regulations but in its impact on talent – for example, on issues such as visas. London and Partners had launched a talent tool-kit, as a resource
 - A network of friends of London around the world was being developed that could resonate best with a global audience.

The Chair opened up the discussion to the Executive and the following points were made by Ms Citron in response to questions:

- International tourism continues to grow. However, domestic tourism is down, in particular day-trippers and two-hour visitors. The reason for this is not clear but it has had an effect, for example on TfL revenues and on cultural venues
- Surveys show London benefits enormously from its diversity in its attractiveness to visitors from around the world
- London and Partners could play an important role in ensuring a coherent presentation of London at events such as MIPIM
- London is restricted to EXCEL as a large convention centre (Crossrail will make a big difference to EXCEL's accessibility). It does have the QEII centre and many smaller venues but it cannot compete with other world cities in numbers of large convention centres
- London's reputation as a safe city can be tracked by analyzing social media and there does not appear to have been any serious fall-out from last year's terrorist attacks. London's safety was best promoted by the sorts of images that the city sees on a daily basis
- London and Partners has a relationship with the London Chamber of Commerce but not local chambers
- London and Partners is probably not the best partner to work with on direct recruitment of, for example social workers. Other agencies have greater experience in that area
- London and Partners does not take policy positions on issues such as infrastructure projects while welcoming their effect on London's standing.

The Chair thanked Ms Citron for her presentation and looked forward to close working between London Councils, boroughs and London and Partners.

5. Exiting the EU – update on local engagement

The Chief Executive introduced the report saying that work fell into three main categories:

- **Resilience Contingency Planning** Local authority input into contingency planning was being co-ordinated through the Local Authorities' Panel (LAP), chaired by John Barradell, Chief Executive of the City of London. This initiative was operating under the auspices of the statutory London Resilience Forum and working through the Forum's Brexit Contingency Planning Group.
- **London Councils work:**
 - Lobbying on particular policy issues, e.g. the proposition for a £30,000 salary threshold for EEA skilled workers proposition
 - Capturing borough issues of concern, e.g. settled status application payments
 - Working with professional networks to identify areas of risk in the short and medium term, assessing potential financial impacts and establishing some common communications lines.
- **Liaison with MHCLG** on sharing messages and updates. The Member for Business, Europe and Good Growth (Cllr Clare Coghill) and the Chair sit on the MHCLG Ministerial Brexit & Local Government Delivery Board.

In the discussion the following points were brought out:

- In the case of a no-deal Brexit there would be an issue of Food Trading Standards officers being required to check food imports from Europe whose arrival point was in London
- Cllr Lib Peck and Cllr Ruth Dombey had been part of an LGA delegation that had met with the local government minister to call for money to be set aside to cover the cost of Brexit to local authorities
- Council officers had made clear that putting precise figures on the cost of Brexit preparations in boroughs so far was difficult but at the same time the Secretary of State, James Brokenshire had made equally clear that he was looking for evidence
- Cllr Nicki Aiken could make a useful contribution in conversations with ministers on this topic

The Executive agreed to note the report.

6. Unaccompanied Asylum-Seeking Children

The Chair introduced the item saying Unaccompanied Asylum Seeking Children (UASC) had been an issue for some years now. He had met with the prominent campaigner, Lord Alf Dubs, and wanted to gauge whether a London Councils' position in respect of the campaign, *Our Turn*, supported by the refugee charity, *Safe Passage*, was desirable and/or feasible. The *Our Turn* campaign was calling for the establishment of a new 'Children at Risk' resettlement scheme to bring 10,000 child refugees to the UK over the 10 years. It would build on the current Vulnerable Children's Resettlement Scheme.

Cllr Muhammed Butt introduced the report saying that the principles behind London Councils approach included:

- Future financial support must fully fund the costs of caring for all UASC
- That there must be a single, consistent national response which was equitable, proportionate and ensured no council remained above its 0.07% threshold
- That there should not be pressure for a disproportionate number of placements on London and the South East as a result of the *Our Turn* campaign
- That the Home Office should engage with London boroughs to reform the current processing arrangements in the Capital in order to ensure the more efficient assessment and transfer of UASC
- Lord Dubs could be asked to initiate a debate in the House of Lords requiring a minister to respond.

Cllr Ray Puddifoot said that as Heathrow Airport was in his borough, this had been a particular pressure locally.

Cllr Clare Coghill pointed out that the vast majority of UASC were boys, there was a huge gender imbalance and Cllr Georgia Gould that there was now a further cost for 18-25 year-old care leavers.

Cllr Darren Rodwell argued that the cost of asylum-seeking placements in his borough had become unsustainable.

Cllr Govindia spoke of the scale of the challenge being taken on. If the campaign wanted a ten-year commitment to be made to what, were often, very disturbed children, that needed a ten-year funding commitment. The case of the Kindertransport in the 1930s was often put forward, but it should be remembered that that was not a government initiative but came from faith groups and the community and the involvement of those was needed again now.

Cllr Teresa O'Neill argued that more should be done on the 'cliff-edge' cost pressures to local authorities and establishing clearly the fact that London did more than its fair share.

The Chair concluded by saying that more time was needed to prepare a report to Leaders' Committee – which the Executive agreed - and that Leaders' Committee will receive a report later in the year.

The Executive agreed to note the report.

7. Local Government Finance – verbal update

The Director of Finance, Performance and Procurement provided the verbal update:

- The Business Rates Pilot extension had been agreed, albeit at 75%
- The promised additional resources as part of the settlement was welcomed but were not enough and if they had been distributed according to established needs formulae £130m more would have gone to urban areas.
- The additional £250m for SEND was again welcomed but regrettably it was not going to be distributed according to the established High Needs formula
- The consultation on Fair Funding had not yet closed
- The distribution proposed that there be no separate deprivation factor in the Foundation formula
- The Spending Review lobbying campaign had been launched at the Summit
- Core Cities, Key Cities and the All Party Parliamentary Group were being liaised with

- The approach to the consultation response on Fair Funding to be tabled at Leaders' Committee on 5th February.

The Executive agreed to note the briefing

The meeting ended at 11:00am.

Action points

	Item	Action	Progress
6.	Unaccompanied Asylum-Seeking Children <ul style="list-style-type: none"> • A report to come to a future Leaders' Committee, but not that on 5th February 	PAPA Children's Services	Will be reported to March Leaders