

Minutes of the Meeting of the Executive
Tuesday 10th September 2019 9:30 am

Cllr Peter John OBE was in the chair

Present

Member	Position
Cllr Peter John OBE	Chair
Cllr Nickie Aiken	
Cllr Julian Bell	
Cllr Darren Rodwell	
Cllr Muhammed Butt	
Cllr Ravi Govindia CBE	Substitute
Cllr Ray Puddifoot MBE	
Cllr Liz Green	Substitute
Cllr Georgia Gould	
Cllr Clare Coghill	
Catherine McGuinness	

London Councils officers were in attendance.

1. Apologies for absence and announcement of deputies

Apologies were received from Cllr Athwal, Cllr Ruth Dombey OBE for whom Cllr Liz Green was substituting and Cllr O'Neill OBE for whom Cllr Govindia CBE was substituting.

2. Declaration of interest

There were no declarations of interest.

3. Minutes of the Executive Meeting held on 18th June 2019

The minutes of the Executive meeting held on 18th June 2019 were agreed as an accurate record of the meeting.

4. Forward Look

The Chief Executive introduced the report, which provided an overview of work and events over the next nine month period. He drew attention to:

- The Spending Round – the Fair Funding Review and 75% Business Rate Retention proposals were both to be delayed until 2021

- Mayoral Election – it was for members to confirm whether they would wish again for London Councils to prepare a document setting out what boroughs would want the candidates to commit to and how members would wish to work with them should they be successful. If agreed, this could be launched at the London Councils Summit on 23rd November
- London Governance – Executive's views were sought on the proposal for supporting a piece of work that would compare the evolution of London's governance structure to the development of urban governance in the rest of England, potentially to be produced by the think tank Localis, with whom the Chair and officers had recently met
- Devolution and Public Service reform – members were asked to confirm their agreement for preparations for the work on devolution, carried out collectively on behalf of boroughs, to continue
- EU Exit – the update report outlined the continuing work being done including the Chief Executive's involvement as one of the nine Regional Lead Chief Executives contributing to the MHCLG Information hub. London Councils was also involved with the London resilience strand of preparatory activity.

The Chief Executive also highlighted that the Chair had asked members to join him in an informal session on 15th October with the London Councils Corporate Management Board to explore issues around future scenarios for the organisation.

The Chair and members confirmed the request for London Councils to produce the document for the mayoral candidates, and that, in terms of priorities, the Pledges should form the core of this. Further reinforcement of the call for devolution should also feature.

In terms of London Governance, the Chair also mentioned that, as well as having discussions with Localis, Centre for London had also confirmed to him that they were to carry out a piece of work on the subject of London government, twenty years work which had anticipated the creation of the post of Mayor and the formation of the GLA. London Councils should be involved in this as well in some way. He hoped that these pieces of work would involve Leaders in discussions about the effectiveness of the current structures and would seek their views about potential future London governance arrangements.

Regarding EU Exit, the Chair confirmed that both he and Cllr Coghill continued to attend the MHCLG Brexit Delivery Board. He fed back the key discussion points of the most recent meeting. It was confirmed that much of the local government and communication issues discussed at the Board meeting were also reflected in the Resilience Forum work, coordinated by John Barradell, Chair of the London Resilience Local Authority Panel.

Members were informed that weekly conference calls with all London borough Brexit Lead officers were resuming. It was also likely that a weekly reporting cycle which supported both the MHCLG Information hub and resilience strands of work would be resumed as well.

The Chair agreed that an update letter would be sent to Leaders after each Brexit Delivery Board meeting.

The Chair reported that the Government had recently published local authority level information on the number of settled status applicants in London. In Southwark 30% of all those thought to be EU citizens had applied, and consideration was being given to setting up information pop up stands in those parts of the borough with concentrations of EU citizens to improve awareness of the application process. The Chair invited members to consider what additionally needed to be done in their boroughs to communicate the process of applying for settled status.

He also informed members that the Government had updated the Brexit information section of their website and were encouraging all boroughs to link to it from their own front web pages.

Members then made the following observations:

Regarding EU Exit, Cllr Gould asked if there were examples of creative ways in which boroughs were using the additional resources provided by Government to prepare for Brexit. It was confirmed that London Councils was canvassing for this information and, in response to a question raised by Cllr Green, that this would be shared with members.

Cllr Puddifoot raised the issue about the impact of EU Exit on Heathrow Airport in terms of checks on imported food.

Cllr Govindia asked whether there were statistics available for people who had applied for dual nationality as an alternative to settled status.

Catherine McGuinness highlighted EU Exit implications for Small and Medium-sized Enterprises and would be interested in linking with others to help communicate these issues to SME businesses.

Cllr Gould mentioned that a 'call to action' setting out London government's devolution aspirations in the area of skills and employment was about to be published

Regarding London Governance, Cllr Govindia felt it important for any organisation seeking to produce a study on governance to talk widely to boroughs to elicit a range of views.

It was generally recognised that, because of the potential for a general election, there was limited time to ensure that London devolution issues were discussed in order to influence and be reflected in, the respective party manifestos.

Cllr Rodwell felt that a 'grid' of public affairs interventions would be useful.

Cllr Bell mentioned the possibility of a future increase in police numbers following the Spending Round. Members felt that a visible police presence in communities was paramount in how such resources were to be deployed.

In response to these points, the Chief Executive responded that:

- London Brexit Lead Officers were being asked about how boroughs were using additional resources for Brexit preparations. The results of this would be shared with Leaders
- The Pledges, as well as the 'Investing in the Future' campaign, already included strong themes that could inform the preparation of material ahead of both a general election and Mayoral election.

5. Recent developments in housing policy

The Corporate Director of Policy & Public Affairs, introduced the report, informing members that it covered three areas of housing policy, the first two of which were for noting, and the last which sought guidance from members.

i) Out of London placements

Recent communications from Leaders of Councils in Essex had raised a range of issues relating to this issue. Similar issues presented themselves in respect of other out of London areas, including Kent.

The Chair appreciated Essex and Kent's Leaders' concerns in terms of pressure on their services. He urged that Leaders in London carefully considered how their boroughs were implementing their Temporary Accommodation practices. He also recommended effective communications with surrounding boroughs on this issue.

Cllr Rodwell mentioned that Barking and Dagenham had been looking into setting up support agreements when making placements with authorities outside London and noted that communication with authorities involved a range of borough departments as well as housing services.

Cllr Govindia felt it important that any support for Essex should not be disproportionate to placement arrangement support with other London boroughs. He also felt that permitted development issues should be considered. It was confirmed that this issue

would form part of the discussions that would continue between London and groups of councils outside London.

Cllr Coghill recognised that although the numbers of households placed out of London was small, it was important to understand the reasons for such decisions, in that there might be very good reasons why a household could not remain within the borough in which they applied for housing, either because of supply reasons or other factors such as personal safety.

Cllr Gould recognised that affordability was a factor in placements. She cited issues in her own borough because of the impact of short-term lettings. As a result, she wished to maximise more temporary accommodation within the borough and was keen to find out from others the most effective methods to achieve this, for example buying back Right to Buy properties.

ii) Fire Safety and Building Regulation Reform

London Councils consultation response to the Hackitt Review had recommended a wider threshold for buildings in scope, a reduction in the height of buildings included, a longer transition period for changes, the introduction of legislation regarding leaseholder access, and greater deployment of approved inspectors. Cllr Rodwell recognised from his own experience in Barking the safety aspects of some low-rise buildings.

Cllr Julian Bell mentioned the increasing range of materials that Councils were being asked to consider in respect of identifying buildings - in any ownership – that could have cladding that needed removal. This burden needed to be met by the Government.

iii Cross Sector Collaboration Options

This element of the report followed on from the June 2019 meeting of the Executive and a previous informal discussion of Executive members on this topic. It had been agreed that there was an opportunity for task and finish groups to take forward opportunities for cross sector (Councils, Private Developers and Housing Associations) to build on themes identified at the London Councils Housing Conference earlier in 2019. The eight options detailed in the report had been produced after discussions with a range of cross sector partners.

Cllr Rodwell also noted the changing supply, affordability and impacts on borough services of the short lets market and expressed a desire for some work to be undertaken to produce basic information about the extent of short term letting in boroughs.

Although it was recognised that this work was in addition to the options in the report, members felt that there would be value in carrying out the research. It was therefore agreed that officers would report back to members on the results of this work.

In relation to the options included in the report, members agreed that the following would be prioritised, as they provided synergy with other work areas:

h) Exploring the potential for increased local authority financial flexibility to enhance building capacity; and

f) Develop proposals for more effective and earlier access to capital funding for the infrastructure requirements of housing development, and in that order of priority.

In closing, the Chair encouraged members in developing the options to think strategically about where money could most effectively be spent.

Members noted the first two sections of the report and agreed options h) and f) from the list in the report's third section.

6. The Future of the London Business Rates Retention Pilot Pool

The Director of Local Government Performance and Finance introduced the report, commenting that since it had been written the Government had indicated that it did not intend to extend the current London Business Rates retention pilot next year and to push back the 75% Business Rates Retention and outcome of the Fair Funding Review to 2021.

It was proposed therefore that a joint letter be written from the Chair of London Councils and the Mayor of London asking the Government to reconsider its decision.

Members were advised that, should the Government not reconsider, they would have to make a decision in principle at Leaders' Committee in October as to whether London would want to continue to pool under the existing rules. The financial incentives of that decision would be lower, with the benefit likely to be in the region of £30 million. The decision to sustain such a pool would continue to show an appetite collectively to shape the 75% retention regime for 2021. It was, however, acknowledged that there would be less financial benefit and less certainty. It would be for boroughs to take individual decisions on establishing such a revised pool.

Cllr Puddifoot agreed with the proposal that the Chair of London Councils should write jointly with the Mayor asking the Government to reconsider the issue. He felt the Mayor and Chair should make the point that the work done to date could be lost if a final year of the pilot could not sustain boroughs to the wider 75% retention regime from 2021.

Members agreed that the Chair of London Councils and the Mayor would write formally to seek a meeting with Ministers.

7. Month 3 Revenue Forecast 2019/20

The Director of Corporate Resources, introduced the report.

In terms of the overall levels of reserves, KPMG, the external auditors, had now signed off the accounts from the previous year. Projected reserves were estimated to be £11.5m, although there would be discussions at Grants and Transport and Environment Committees later in the week about the levels of reserves currently held by those Committees.

The Chair reminded the Executive about the half day session in October where they would be discussing London Councils future strategy and finances and the positioning, leadership and resourcing of the organisation to manage future priorities.

In response to a question from Cllr Puddifoot relating to the capitalisation of employee costs associated with refurbishment works, Mr. Smith informed members that the call on reserves for Challenge related work was likely to be low because of the ability to capitalise such costs, the opportunity for which had increased because of the lease extension to the Southwark Street building, as agreed with members, which increased the time period in which works could be depreciated.

Members noted the report.

8. Debtors Update Report

The Director of Corporate Services reported that all boroughs have now paid any outstanding amounts, reducing the overall debt to just over £400,000.

Members noted the report.

9. Nominations to Outside Bodies

Members noted the nominations made by the Chief Executive on behalf of London Councils.

The meeting ended at 11.20am

Action points			
	Item	Action by	Progress
4.	Forward Look <ul style="list-style-type: none"> Chair to provide an update letter for Leaders after each Brexit Delivery Board meeting Officers to investigate the availability of data on dual nationality applications rather than settled status applications 	Chair Corporate Director of Policy and Public Affairs	Ongoing Ongoing
5.	Recent developments in housing policy <ul style="list-style-type: none"> An analysis of short terms letting position in boroughs to be undertaken with a report back to Executive 	Corporate Director of Policy and Public Affairs	Ongoing
6.	Future of the London Business Rates Retention Pilot Pool <ul style="list-style-type: none"> Letter to be written to Government jointly by Mayor of London and Chair of London Councils regarding the London Business Rates pilot 	Director of Local Government Performance and Finance	Completed