

Leaders' Committee

8 December 2020 - 12 midday

Virtual Meeting via 'Teams'

Labour Group:	Teams	10:00
Political Adviser: 07977 401955)		
Conservative Group:	Teams	10:00
(Political Adviser: 07591 389100)		
Liberal Democrat Group:	Teams	10:00
(Political Adviser: 07858 924941)		
Contact Officer:	David Dent	
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Agenda item

1. Apologies for absence

2. Declarations of Interest*

3. Minutes of the Leaders' Committee held on 13 October 2020 (both AGM and main business)

4. Covid-19 Update
 - including an update from London Councils Pandemic Steering Committee

5. Local Government Finance - update

6. Thrive LDN

7.
 - a. Pledges to Londoners - Update on Progress in Transport and Environment
 - b. Feedback from Joint Boards (verbal update)
 - London Crime Reduction Board (LCRB)
 - London Health Board (LHB)
 - Homes for Londoners Board (HfL)

8. London Councils Grants Scheme - Budget Proposals 2021/22

9. Proposed Revenue Budget and Borough Subscriptions and Charges 2021/22

10. Minutes and summaries:

- Executive – 8 September 2020
 - Grants Executive – 16 September 2020
 - YPES – 15 October 2020
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***Declarations of Interests**

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

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

These prohibitions apply to any form of participation, including speaking as a member of the public.

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

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

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).

Agenda item

E1	Exempt minutes of Leaders Committee on 13 October 2020
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London Councils

Minutes of the Annual General Meeting of the London Councils Leaders' Committee held on 13 October 2020

Cllr Georgia Gould chaired the meeting from item 3

Present:

BARKING AND DAGENHAM
BARNET
BEXLEY
BRENT
BROMLEY
CAMDEN
CROYDON
EALING
ENFIELD
GREENWICH
HACKNEY
HAMMERSMITH & FULHAM
HARINGEY
HARROW
HAVERING
HAVERING
HILLINGDON
HOUNSLOW
ISLINGTON
KENSINGTON & CHELSEA
KINGSTON
LAMBETH
LEWISHAM
MERTON
NEWHAM
REDBRIDGE
RICHMOND UPON THAMES
SOUTHWARK
SUTTON
TOWER HAMLETS
WALTHAM FOREST
WANDSWORTH
WESTMINSTER
CITY OF LONDON

Cllr Darren Rodwell
Cllr Daniel Thomas
Cllr Teresa O'Neill OBE
Cllr Muhammed Butt
Cllr Colin Smith
Cllr Georgia Gould
Cllr Tony Newman
Cllr Julian Bell
Cllr Nesil Caliskan
Cllr Danny Thorpe
Mayor Philip Glanville
Cllr Sue Fennimore
Cllr Joseph Ejiofor
Cllr Graham Henson
Cllr Damian White
Cllr Roger Ramsey
Cllr Jonathan Bianco (Deputy)
Cllr Steve Curran
Cllr Richard Watts
Cllr Elizabeth Campbell
Cllr Caroline Kerr
Cllr Jack Hopkins
Mayor Damien Egan
Cllr Stephen Alambritis MBE
Mayor Rokhsana Fiaz
Cllr Jas Athwal
Cllr Gareth Roberts
Cllr Kieron Williams
Cllr Ruth Dombey OBE
Mayor John Biggs
Cllr Clare Coghill
Cllr Ravi Govindia
Cllr Rachael Robathan
Ms Catherine McGuinness

Apologies:

HILLINGDON

Cllr Sir Ray Puddifoot MBE

Cllr Peter John OBE (from item 3 onwards) and Officers of London Councils were in attendance.

The Chair welcomed Cllr Kieron Williams (LB Southwark) to his first meeting of the Leaders' Committee. Congratulations were also given to Cllr Sir Ray Puddifoot MBE (LB Hillingdon) on his recent Knighthood. The Chair also thanked him for his work as the London Councils Health and Care Portfolio Lead, from which he was standing down. The Chair also congratulated Cllr Stephen Alambritis (LB Merton), who had been awarded an MBE and acknowledged that this would be the

last meeting of the Leaders' Committee at which both Cllr Alambritis and Cllr Tony Newman (LB Croydon) would be present as both were standing down. The Chair paid tribute to their respective contributions and thanked them for their service.

1. Declarations of interest

Cllr Julian Bell declared an interest in that he was a member of the TfL Board.

2. Apologies for absence and notification of deputies

Apologies were as listed above.

3. Election of Chair

Cllr Peter John called for nominations for the position of Chair of London Councils and Cllr Georgia Gould (Camden, Labour) was nominated by Cllr Darren Rodwell (Barking and Dagenham, Labour) and seconded by Cllr Teresa O'Neill OBE (Bexley, Conservative). There were no other nominations.

Cllr Georgia Gould was elected Chair of London Councils and took over chairing the meeting.

The Chair (Cllr Georgia Gould) reflected on how challenging the last few months had been for all, but how it had also shown the power of local leadership. She mentioned the impact of the Pandemic on London's economy and communities, but recognised that over the past few months London Leaders had worked effectively across parties and with City Hall to tackle the crisis.

The Chair paid tribute to Cllr John for his service as Chair of London Councils. His calm and purposeful leadership had been an anchor for London and Londoners. She felt that he left a significant legacy both for the London Borough of Southwark and London generally, and she wanted London Councils' work going forward to build on the foundations he had put in place.

Other members also paid their own tributes to Cllr John and thanked him for his service to London Councils and the capital.

4. Election of Deputy Chair and up to three Vice-Chairs

The Chair then invited nominations for the Deputy Chair and up to three Vice-chairs. The Chair nominated Cllr Darren Rodwell (Barking and Dagenham, Labour) as Deputy Chair and that nomination was seconded by Cllr Ruth Dombey (Sutton, Lib Dem).

Cllr Rodwell was elected as Deputy Chair of London Councils.

The Chair nominated the following who were seconded by Cllr Darren Rodwell (Barking and Dagenham, Labour).

Vice-Chair Cllr Teresa O'Neill OBE (Bexley, Conservative)

Vice-Chair Cllr Ruth Dombey OBE (Sutton, Lib Dem)

Vice-Chair Ms Catherine McGuinness (City of London)

Cllrs O'Neill, Dombey and Ms McGuinness were elected as Vice Chairs of London Councils.

5. Minutes of the meeting of the AGM Leaders' Committee on 4 June 2019

Leaders' Committee agreed to note the minutes of the meeting of the AGM of Leaders' Committee on 4 June 2019 already agreed by Leaders' Committee on 9 July 2019.

6. Appointment of London Councils Co-Presidents for 2020/21

The Chair asked for nominations for the posts of Co-Presidents and Cllr Rodwell nominated and Cllr Elizabeth Campbell (Kensington & Chelsea, Conservative) seconded the following: The Lord Harris of Haringey (Labour Peer), The Lord Tope CBE (Liberal Democrat Peer) and The Rt Hon. The Lord Barwell (Conservative Peer). All were appointed as Co-Presidents of London Councils.

The Chair thanked the Co-Presidents for their work. Cllr O'Neill paid tribute to the work of Baroness Hanham CBE, who was standing down as the Conservative Co-President after six years in the role.

7. - 13. Composition of London Councils' member bodies and appointment of office-holders

The Chair proposed that items 7-13 be taken *en bloc*.

At items 7-9, the Leaders' Committee noted the membership of Leaders' Committee, the Transport and Environment Committee (TEC), the Grants Committee and the Greater London Employment Forum on the nomination of boroughs.

At items 9 -13 the Leaders' Committee agreed the appointment of the Employers Side of the Greater London Provincial Council, the London Councils Executive (including Portfolios), the appointment of party group lead members, the Group Whips, the appointment of the Audit

Committee and election of its Chair and the appointment of YPES board members as detailed on the following pages.

7. LEADERS' Committee

Borough	Rep	Party	Deputy 1	Party	Deputy 2	Party
Barking & Dagenham	Darren Rodwell	Lab	Saima Ashraf	Lab	Sade Bright	Lab
Barnet	Daniel Thomas	Con	Cllr. D Longstaff	Con	Barry Rawlings	Con
Bexley	Teresa O'Neill	Con	Louie French	Con	David Leaf	Con
Brent	Muhammed Butt	Lab	Margaret McLennan	Lab		
Bromley	Colin Smith	Con	Peter Fortune	Con	Kate Lymer	Con
Camden	Georgia Gould	Lab				
Croydon	Tony Newman	Lab	Alison Butler	Lab	Stewart Collins	Lab
Ealing	Julian Bell	Lab	Yvonne Johnson	Lab	Bassam Mahfouz	Lab
Enfield	Nesil Caliskan	Lab	Ian Barnes	Lab	Mary Maguire	Lab
Greenwich	Danny Thorpe	Lab	David Gardner	Lab	Jackie Smith	Lab
Hackney	Philip Glanville	Lab	Anntoinette Bramble	Lab	Rebecca Rennison	Lab
Hammersmith & Fulham	Stephen Cowan	Lab	Sue Fennimore	Lab	Adam Connell	Lab
Haringey	Joseph Ejiofor	Lab	Seema Chandwani	Lab	Charles Adje	Lab
Harrow	Graham Henson	Lab	Keith Ferry	Lab		
Havering	Damian White	Con	Robert Benham	Con	Roger Ramsey	Con
Hillingdon	Sir Ray Puddifoot	Con	Jonathan Bianco	Con	Philip Corthorne	Con
Hounslow	Steve Curran	Lab	Lily Bath	Lab	Katherine Dunne	Lab
Islington	Richard Watts	Lab	Kaya Comer-Schwartz	Lab	Paul Smith	Lab
Kensington & Chelsea	Elizabeth Campbell	Con	Kim Taylor-Smith	Con		
Kingston upon Thames	Caroline Kerr	LD	Tim Cobbett	LD	Hilary Gander	LD
Lambeth	Jack Hopkins	Lab	Claire Holland	Lab	Jennifer Braithwaite	Lab
Lewisham	Damien Egan	Lab	Kevin Bonavia	Lab		
Merton	Stephen Alambritis	Lab	Mark Allison	Lab		
Newham	Rokhsana Fiaz	Lab	John Gray	Lab	Charlene McLean	Lab
Redbridge	Jas Athwal	Lab	Kam Rai	Lab	Elaine Norman	Lab
Richmond upon Thames	Gareth Roberts	LD	Liz Jaeger	LD	Alexander Ehmann	LD
Southwark	Kieron Williams	Lab	Jasmine Ali	Lab		
Sutton	Ruth Dombey	LD	Jayne McCoy	LD		
Tower Hamlets	John Biggs	Lab	Rachel Blake	Lab	Asma Begum	Lab
Waltham Forest	Clare Goghill	Lab	Clyde Loakes	Lab	Grace Williams	Lab
Wandsworth	Ravi Govindia	Con	Kim Caddy	Con	Jonathan Cook	Con
Westminster	Rachael Robathan	Con	Melvyn Caplan	Con	Tim Mitchell	Con
					Sheriff Christopher	
City of London	Catherine McGuinness	Ind	Tom Sleigh	Ind	Hayward	Ind

8. TEC

Borough	Rep	Party	Deputy 1	Party	Deputy 2	Party	Deputy 3	Party
Barking & Dagenham	Syed Ghani	Lab	Cameron Geddes	Lab				
Barnet	Peter Zinkin	Con	Dean Cohen	Con	Alan Schneiderman	Con	Geoff Cooke	Con
Bexley	Peter Craske	Con	Alex Sawyer	Con	Melvin Seymour	Con		
Brent	Krupa Sheth	Lab	Shama Tatler	Lab	Promise Knight	Lab	Neil Nerva	
Bromley	William Huntington-Thresher	Con	Will Rowlands	Con	Will Harmer	Con	Kieran Terry	Con
Camden							Richard	
	Adam Harrison	Lab	Danny Beales	Lab	Meric Apak	lab	Olszewski	Lab
Croydon	Stuart King	Lab	Paul Scott	Lab				
Ealing	Julian Bell	Lab						
Enfield	Ian Barnes	Lab	Guney Dogan	Lab	Nneka Keasor	Lab		
Greenwich	Sizwe James	Lab	Denise Scott McDonald	Lab				
Hackney	Mayor Philip Glanville	Lab	Jon Burke	Lab				
Hammersmith & Fulham	Wesley Harcourt	Lab	David Morton	Lab				
Haringey	Kirsten Hearn	Lab	Seema Chandwani	Lab	Matthew White	Lab		
Harrow	Varsha Parmar	Lab	Jerry Miles	Lab	Chloe Smith	Lab		
Havering	Osman Dervish	Con	Jason Frost	Con	Viddy Persuad	Con	Robert Benham	
Hillingdon	Keith Burrows	Con	Philip Corthorne	Con				
Hounslow	Hanif Khan	Lab				Lab		
Islington	Rowena Champion	Lab	Phil Graham	Lab	Asima Shaikh	Lab	Janet Burgess	Lab
Kensington & Chelsea	Johnny Thalassites	Con	Cem Kemahli	Con	Will Pascall	Con	Malcolm Spalding	Con
Kingston upon Thames	Hilary Gander	LD	Tim Cobbett	LD	Rebekah Moll	LD	Dave Ryder-Mills	LD
Lambeth	Claire Holland	Lab	Nigel Haselden	Lab				
Lewisham	Sophie McGeever	Lab	Brenda Dacres	Lab				
Merton	Martin Whelton	Lab	Mark Allison	Lab				
Newham	James Asser	Lab	Nilufa Jahan	Lab				
Redbridge	John Howard	Lab	Sheila Bain	Lab	Kam Rai	Lab	Jas Athwal	Lab
Richmond upon Thames	Alexander Ehmann	LD	Martin Elengorn	LD				
Southwark	Johnson Situ	Lab	Catherine Rose	Lab				
Sutton	Manuel Abbelan	LD	Ben Andrew	LD	Hanna Zuchowska	LD	Steve Penneck	LD
Tower Hamlets	Asma Islam	Lab	Dan Tomlinson	Lab				
Waltham Forest	Clyde Loakes	Lab	Naheed Asghar	Lab	Grace Williams	Lab		
Wandsworth	Richard Field	Con	John Locker	Con	Guy Humphries	Con		
Westminster	Tim Mitchell	Con	Richard Smith	Con				
City of London	Alistair Moss	Ind	Keith Bottomly	Ind	Jeremy Simons	Ind	Oliver Sells	Ind
TfL	Alex Williams		Colin Mann					

8. GRANTS Committee

Borough	Rep	Party	Deputy 1	Party	Deputy 2	Party
Barking & Dagenham	Saima Ashraf	Lab	Sade Bright	Lab		
Barnet	John Hart	Con	Daniel Thomas	Con	D Longstaff	Con
Bexley	David Leaf	Con	Alex Sawyer	Con		
Brent	Margaret McLennan	Lab	Promise Knight	Lab		
Bromley	Colin Smith	Con	Peter Fortune	Con	Diane Smith	Con
Camden	Anna Wright	Lab	Angela Mason	Lab		
Croydon	Hamida Ali	Lab	Oliver Lewis			
Ealing	Jasbir Anand	Lab	Julian Bell	Lab	Bassam Mahfouz	Lab
Enfield	Nesil Caliskan	Lab	Mary Maguire	Lab		
Greenwich	Adel Khairah	Lab	Miranda Williams	Lab		
Hackney	Christopher Kennedy	Lab	Carole Williams	Lab		
Hammersmith & Fulham	Larry Culhane	Lab	Adam Connell	Lab		
Haringey	Joseph Ejifor	Lab	Mark Blake	Lab	Reg Rice	Lab
Harrow	Sue Anderson	Lab	Simon Brown	Lab	Keith Ferry	Lab
Havering	Viddy Persaud	Con	Jason Frost	Con		Con
Hillingdon	Douglas Mills	Con	J Bianco	Con		
Hounslow	Shantanu Rajawat	Lab				
Islington	Richard Watts	Lab	Gill Satnam	Lab	Kaya Comer-Schwartz	
Kensington & Chelsea	Anne Cyron	Con	Sarah Addenbrooke	Con		
Kingston upon Thames	Caroline Kerr	LD	Tim Cobbett	LD	Emily Davey	LD
Lambeth	Donatus Anyanwu	Lab	Andy Wilson	Lab		
Lewisham	Jonathan Slater	Lab	Amanda De Ryk	Lab		
Merton	Edith Macauley	Lab	Caroline Cooper	Lab	Caroline Cooper-Marbiah	Lab
Newham	Charlene McLean	Lab	Muzibur Rehman	Lab		
Redbridge	Helen Coomb	Lab	Kam Rai	Lab	Elaine Norman	Lab
Richmond upon Thames	Gareth Roberts	LD	Michael Wilson	LD		
Southwark	Alice MacDonald	Lab				
Sutton	Marian James	LD	Ruth Dombey	LD		
Tower Hamlets	Candida Ronald	Lab	Murfeeda Bustin	Lab	Asma Begum	
Waltham Forest	Louise Mitchell	Lab	Clyde Loakes	Lab	Ahsan Khan	Lab
Wandsworth	Jonathan Cook	Con	Melanie Hampton	Con	John Locker	Con
Westminster	Paul Swaddle	Con	Mark Shearer	Con		
			Dr Giles Robert Evelyn			
City of London	Dhruv Patel	Ind	Shilson	Ind		

9 (a) GLEF

Borough	Rep	Party	Deputy	Party
Barking & Dagenham	Sade Bright	Lab	Irma Freeborn	Lab
Barnet	Daniel Thomas	Con	D. Longstaff	Con
Bexley	Steven Hall	Con	Nick O'Hare	Con
Brent	Margaret McLennan	Lab	Shama Tatler	Lab
Bromley	Pauline Tunncliffe	Con	Stephen Wells	Con
Camden	Danny Beales	Lab		
Croydon	Simon Hall	Lab	Patsy Cummings	Lab
Ealing	Jasbir Anand	Lab		
Enfield	Nesil Caliskan	Lab	Mary Maguire	Lab
Greenwich	Chris Kirby	Lab		
Hackney	Carole Williams	Lab	Philip Glanville	Lab
Hammersmith & Fulham	Zarar Qayyum	Lab		
Haringey	Matthew White	Lab	Dhiren Basu	Lab
Harrow	Adam Swerksy	Lab		
Havering	Robert Benham	Con	Viddy Persuad	Con
Hillingdon	Douglas Mills	Con		
Hounslow	Katherine Dunn	Lab		
Islington	Satnam Gill	Lab	Asima Shaikh	Lab
Kensington & Chelsea	Catherine Faulks	Con		
Kingston upon Thames	Tim Cobbett	LD	Andreas Kirsh	LD
Lambeth	Andy Wilson	Lab	Jacqui Dyer	Lab
Lewisham	Amanda de Ryk	Lab	Kevin Bonavia	Lab
Merton	Mark Allison	Lab	Caroline Cooper-Marbiah	Lab
Newham	Terry Paul	Lab	Rokhsana Fiaz	Lab
Redbridge	Kam Rai	Lab	Jas Athwal	Lab
Richmond upon Thames	Richard Baker	LD		
Southwark	Rebecca Lury	Lab		
Sutton	Richard Clifton	LD	Sunita Gordon	LD
Tower Hamlets	Mayor John Biggs	Lab	Candida Ronald	Lab
Waltham Forest	Clyde Loakes	Lab	Simon Miller	Lab
Wandsworth	Guy Senior	Con		
Westminster	Melvyn Caplan	Con	Tim Mitchell	Con

9 (b) Appointment of Greater London Provincial Council Employers Side

Barking & Dagenham	Cllr Sade Bright (Labour)
Camden	Cllr Daniel Beales (Labour)
Croydon	Cllr Simon Hall (Labour)
Enfield	Cllr Nesil Caliskan (Labour)
Greenwich	Cllr Chris Kirby(Labour)
Hackney	Cllr Carole Williams (Labour)
Havering	Cllr Robert Benham (Conservative)
Hounslow	Cllr Katherine Dunn (Labour)
Hillingdon	Cllr Richard Lewis (Conservative)
Lewisham	Cllr Amanda de Ryk (Labour)
Sutton	Cllr Richard Clifton (Liberal Democrat)
Tower Hamlets	Mayor John Biggs (Labour)
Waltham Forest	Cllr Clyde Loakes (Labour)
Wandsworth	Cllr Guy Senior (Conservative)
Westminster	Cllr Melvyn Caplan (Conservative)

10. Appointment of London Councils Executive (including Portfolios)

Leaders' Committee agreed to establish an Executive comprising twelve members

- **Cllr. Georgia Gould** (Camden – Labour) Chair
- **Cllr Darren Rodwell** (Barking & Dagenham – Labour) Deputy Chair; Housing & Planning
- **Cllr Teresa O'Neill OBE** (Bexley – Conservative) Vice Chair
- **Cllr Ruth Dombey OBE** (Sutton – Liberal Democrat) Vice Chair
- **Ms Catherine McGuinness** (City of London Corporation) Vice Chair
- **Cllr Muhammed Butt** (Brent – Labour) Welfare, Empowerment & Inclusion
- **Cllr Clare Coghill** (Waltham Forest – Labour) Skills & Employment
- **Mayor Philip Glanville** (Hackney - Labour) Transport & Environment
- **Cllr Elizabeth Campbell** (Kensington & Chelsea – Conservative) Schools & Children's Services (including Education, Children's Social Care and Safeguarding)
- **Cllr Damian White** (Havering – Conservative) Health & Care (Including Adult Care Services)
- **Cllr Danny Thorpe** (Greenwich – Labour) Business Europe and Good Growth
- **Cllr Jas Athwal** (Redbridge – Labour) Crime & Public Protection
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Substitutes: Labour: Cllr Clyde Loakes (Waltham Forest); Mayor Philip Glanville (Hackney), Mayor John Biggs (Tower Hamlets)

Conservative: Cllr. Ravi Govindia CBE (Wandsworth);

Liberal Democrat: Cllr Gareth Roberts (Richmond).

Portfolios and Portfolio Holders and Party Leads 2020/21:

Policy area	Portfolio Holder/Chair	Party Lead and or Committee Vice Chair (Labour)	Party Lead (Conservative)	Party Lead (Liberal Democrat)
Finance and Resources Devolution and Public Service Reform	Cllr Georgia Gould (Camden)		Cllr Teresa O'Neill OBE (Bexley)	Cllr Ruth Dombey OBE (Sutton)
Welfare, Empowerment & Inclusion	Cllr Muhammed Butt (Brent)		Cllr Osman Dervish (Havering)	Cllr Emily Davey (Kingston)
Business, Europe and Good Growth (including high streets, lead liaison with wider South East, leisure, sport & culture)	Cllr Danny Thorpe (Greenwich)		Cllr Matthew Green (Westminster)	Cllr. J-F Burford (Richmond)
Transport & Environment	Mayor Philip Glanville (Hackney)	Cllr Claire Holland (Lambeth)	Cllr Tim Mitchell (Vice Chair, Westminster)	Cllr Manuel Abellan (Vice Chair, Sutton)
Housing & Planning	Cllr Darren Rodwell (B&D)		Cllr Rachel Robathan (Westminster)	Cllr Jayne McCoy (Sutton)
Skills & Employment	Cllr Clare Coghill (Waltham Forest)		Cllr Catherine Faulks (RB Kensington & Chelsea)	Cllr Alison Holt (Kingston)
Crime & Public Protection	Cllr Jas Athwal		Cllr Rachel Robathan (Westminster)	Cllr Gareth Roberts (Richmond)
Health & Care (including Adult Care Services)	Cllr Damian White (Havering)	Cllr Steve Curran (Hounslow)		Cllr Piers Allen (Richmond)
Schools & Children's Services (including Education, Children's Social Care and Safeguarding)	Cllr Elizabeth Campbell (RB Kensington & Chelsea)	Cllr Nesil Caliskan (Enfield)		Cllr Penny Frost (Richmond)
Greater London Employment/ Greater London Provincial Council	Mayor John Biggs (Tower Hamlets)		Cllr. Guy Senior (Wandsworth)	Cllr Richard Clifton (Sutton)
Audit Committee	Cllr Roger Ramsey (Chair, Havering)	Cllr Yvonne Johnson (Ealing) Cllr Stephen Alambritis (Merton)		Cllr Robin Brown (Richmond)
Grants	Cllr Richard Watts (Islington)	Cllr Joseph Ejiofor (Vice Chair, Haringey)	Cllr David Leaf (Vice Chair, Bexley - interim)	Cllr Caroline Kerr (Vice Chair, Kingston)
Digital Lead	Mayor Philip Glanville (Hackney)		Cllr Daniel Thomas (Barnet)	Cllr Jon Tolley (Kingston)

11. Appointment of Party Group Whips:

- **Labour:** Cllr Clyde Loakes (Waltham Forest);
- **Conservative:** Cllr Ravi Govindia CBE (Wandsworth);
- **Liberal Democrat:** Cllr Gareth Roberts (Richmond).

12. Appointment of Audit Committee and election of its Chair and Deputy Chair - Five members:

Cllr Roger Ramsey (Chair, Havering - Conservative), Cllr Yvonne Johnson (Deputy Chair, Ealing - Labour), Cllr Stephen Alambritis (Merton – Labour), Cllr. David Gardner (Greenwich - Labour), Cllr Robin Brown (Richmond- Liberal Democrat)

Substitutes: Labour: Cllr Rebecca Lury (Southwark)
Conservative: Cllr. Damian White (Havering)
Lib-Dem: TBC

13. YPES Board

Two Members:

- Cllr Clare Coghill (Chair – Waltham Forest, Labour)
- Cllr Elizabeth Campbell (Kensington & Chelsea, Conservative)

14. Constitutional matters

Leaders' Committee agreed the variations set out in the reports to:

A: London Councils Standing Orders

B: London Councils' Scheme of Delegations to Officers

C: Establishing of and Terms of Reference for, Sub Committees and forums

D: Amendments to London Councils Financial Regulations

The meeting ended at 11:50.

London Councils

Minutes of the London Councils Leaders' Committee held virtually on 13 October 2020

Cllr Georgia Gould chaired the meeting

Present:

BARKING AND DAGENHAM
BARNET
BEXLEY
BRENT
BROMLEY
CAMDEN
CROYDON
EALING
ENFIELD
GREENWICH
HACKNEY
HAMMERSMITH & FULHAM
HARINGEY
HARROW
HAVERING
HAVERING
HILLINGDON
HOUNSLOW
ISLINGTON
KENSINGTON & CHELSEA
KINGSTON
LAMBETH
LEWISHAM
MERTON
NEWHAM
REDBRIDGE
RICHMOND UPON THAMES
SOUTHWARK
SUTTON
TOWER HAMLETS
WALTHAM FOREST
WANDSWORTH
WESTMINSTER
CITY OF LONDON

Cllr Darren Rodwell
Cllr Daniel Thomas
Cllr Teresa O'Neill OBE
Cllr Muhammed Butt
Cllr Colin Smith
Cllr Georgia Gould
Cllr Tony Newman
Cllr Julian Bell
Cllr Nesil Caliskan
Cllr Danny Thorpe
Mayor Philip Glanville
Cllr Sue Fennimore
Cllr Joseph Ejiofor
Cllr Graham Henson
Cllr Damian White
Cllr Roger Ramsey
Cllr Jonathan Bianco (Deputy)
Cllr Steve Curran
Cllr Richard Watts
Cllr Elizabeth Campbell
Cllr Caroline Kerr
Cllr Jack Hopkins
Mayor Damien Egan
Cllr Stephen Alambritis MBE
Mayor Rokhsana Fiaz
Cllr Jas Athwal
Cllr Gareth Roberts
Cllr Kieron Williams
Cllr Ruth Dombey OBE
Mayor John Biggs
Cllr Clare Coghill
Cllr Ravi Govindia
Cllr Rachael Robathan
Ms Catherine McGuinness

Apologies:

HILLINGDON

Cllr Sir Ray Puddifoot MBE

Officers of London Councils and London Boroughs were in attendance.

1. Apologies for Absence and Announcement of Deputies

The apologies and deputies listed above were noted.

2. Declarations of interest

Cllr Julian Bell declared an interest in that he was a member of the TfL Board.

3. Minutes of the Leaders' Committee 7 July 2020

The minutes of the Leaders' Committee meeting of 7 July 2020 were agreed as an accurate record.

4. Covid-19 Response: Rapid Identification of Lessons Learned

The Chair reminded members that at its meeting in July it had agreed that a rapid identification of the lessons learned from London local government's collective response to COVID 19 between March and July 2020 should be undertaken. Mike Cooke, the former Chief Executive of the LB Camden, had been commissioned to undertake the work and the Chair invited him to present a summary of key findings.

Mr Cooke reported that he had undertaken 25 interviews to underpin his work. He acknowledged that this was a fast moving situation and there was always a risk of 'laf' and he was conscious that some issues had already moved on since undertaking the work. There was a strong sense that boroughs had coped very well, had kept most services going and had done an excellent job in supporting the most vulnerable members of their communities. He itemised a number of areas where boroughs felt that the response had gone well. By the same token, there was a widely held view that the response had, in its earlier phases, been more difficult than it needed to be. He set out areas where things had gone less well.

Based upon his findings, Mr Cooke had made some recommendations to Leaders' Committee as well as to chief executives.

Members made the following comments:

- the rapid identification of lessons learned was widely welcomed by Leaders and members felt that it was a balanced and very helpful analysis;
- governance and structures needed to be appropriate to enable London to live with Covid-19;
- the toll on individuals leading the response to the Pandemic should be considered as well as the support that could be shared;

- London as a region should be able to make effective and flexible Pandemic decision making, and, within that, the relationship between local and central government should also be considered.

The Chair thanked Mr Cook for his work and for presenting the findings.

Leaders' Committee noted the identified findings from the lessons learned exercise and agreed the establishment of, membership and terms of reference for, a London Councils Pandemic Steering Committee.

5. Supporting Councils to improve services and practice by addressing Racial Inequality

The Chair began the item by noting that there had been a disproportionate impact of COVID 19 on BAME communities in London, and that the work in the report addressing racial inequality recognised that context. She was grateful for the work that Cllr Butt, Portfolio Holder for Welfare, Social Inclusion and Empowerment, Kim Smith, Chief Executive of the London Borough of Hammersmith and Fulham and London Councils officers had begun..

Cllr Butt introduced the report by informing members that:

- the Pandemic had further highlighted some of the structural inequalities that minority communities faced;
- the work presented an opportunity for boroughs to influence and tackle barriers to equality across London;
- as well as approaching the issue from a pan London perspective, it was also important to look at individual boroughs had provided support for minority communities;
- a lot of work had already been carried out on improvement in boroughs;
- the sharing of best practice was crucial as was the commitment to follow that best practice.

Members made the following comments:

-
- there was recognition that BAME communities were under-represented across London in local government leadership roles, and it was important for development programmes to address diversity issues when identifying future talent;
- the current work of the London Crime Reduction Board in connection with MPS's efforts to build community trust and confidence in policing was recognised;

- there was value in collating borough activity and sharing best practice, although recognising that all boroughs were different;
- through the Greater London Employers Forum, issues of diversity and career progression were being actively discussed by London HR Directors;
- the work of various boroughs – Ealing, Sutton and Camden – as well as the City of London Corporation on various aspects of this agenda was cited.
- the City of London had set up a Tackling Racism task force and were consulting on the future of certain historic statues.

Cllr Butt thanked members for their input and agreed the importance of capturing good practice and in sharing examples to improve services, and the creation of opportunities for people to progress through leadership.

Leaders' Committee:

- Noted the progress made to date in co-designing a programme of activity with the Portfolio Holder and senior borough officers, including the diagram at Appendix A
- Agreed the London Councils statement set out in Appendix B of the report.

6. Local Government Finance Update

The Director of Local Government Performance and Finance introduced the report, commenting that:

- the report set out an update covering three areas: Covid-19 financial impact; the comprehensive spending review; and business rates reform;
- regarding Covid-19, since the report had been drafted the boroughs' monthly financial returns for September had been received, which had showed little change from previous months; the funding gap remained at £1.4 billion;
- however additional support would be made available via the projected income from sales, fees and charges (£230 million), a number of additional funding streams (£200 million) and a potential £170 million in recently reported Government support, which would reduce the gap to around £800 million;
- the spending review was due at the end of November, and a summary of the London Councils response was appended to the report: there was strong emphasis within the response on securing greater certainty on the future financial position;
- within the response one of the asks related to the treatment of DSG grant deficit, where a statutory override to the accounting arrangements had been asked for; this

had now potentially been agreed by Government, and would provide some short term certainty for those boroughs with deficits;

- ongoing lobbying was taking place and Leaders were invited to do the same with their local MPs
- regarding the business rates review, the first submission to Treasury had now been made, and the second part of the review would look at potential alternatives to supplement or replace the current business rates system;
- Government had also asked for boroughs' intentions regarding the London pool, and the report recommended continuance of the pan-London business rates pool on the same basis as in 2021-22.

In response to a question from a member, asking whether some Covid-19 costs initially incurred by boroughs would eventually disappear, it was confirmed that while there were some one off costs relating to setting up arrangements, many of the costs would continue, and there might also be increased costs arising from future demand. These would be built into the estimated future funding requirements. It was felt that housing costs should be included as part of that requirement.

Leaders' Committee:

- noted the latest government funding announcements and estimated financial impact of Covid-19 on London local government;
- noted the lobbying activity with regard to the CSR and the Fundamental Review of Business Rates; and
- agreed in principle to continue the pan-London business rates pool on the same basis as currently in 2021-22.

7. Planning White Paper

Cllr Rodwell introduced the item which set out a draft London Councils response to the Consultation on the Planning White Paper. It informed members that the White Paper constituted proposals aimed at simplifying the planning process, but that there were concerns across boroughs regarding increased centralisation and the potential impacts on the ability of local residents to have a voice about proposed developments.

Members made the following comments::

- there was a concern that the changes to the Section 106 and CIL arrangements could contribute to further difficulties in securing adequate supply of housing in

London. It was also noted that given London land values, a national approach was potentially disadvantageous for London boroughs and local communities;

- boroughs needed to acknowledge that they had an important part to play in accelerating housebuilding;
- based upon previous planning reforms, there was a danger that the uncertainty caused by a prolonged debate over these proposals would have a destabilising impact on development activity and housebuilding;abilising effect;
- the White Paper did not sufficiently address London's mix of growth and conservation areas, or the type of housing required in the capital
- London's delivery of new housing had been adversely affected by availability and cost of land, rather than issues with the planning process

The Chair thanked members for their comments. She recognised the commitment that London needed to make regarding the delivery of housing numbers, but this made it all the more important that the right types of planning tool were available to help boroughs to deliver. .

Members thought that the draft Consultation response was a good and strong articulation of the concerns that existed in boroughs and agreed it as the basis of the London Councils response.

8. Secure Children's Homes

Cllr Elizabeth Campbell introduced the report, stating that:

- the paper provided the background to a review currently being undertaken by the Association of London Directors of Children's Services (ALDCS), in partnership with NHS England (London Region) regarding future provision of secure children's accommodation;
- the paper summarised the setting up of a pan London commissioning model for children in need of secure placements, providing two 12 bed children's homes closer to London with an additional 6 beds for justice placements and two step down units of 6 places to support children transitioning out of secure accommodation;
- a partnership of London boroughs would be established, via a separate legal entity, to thereby reducing the risks associated with placing responsibility within a single borough.

Members endorsed the work being undertaken by the Association of London Directors of Children's Services.

9. Progress on Pledges - Update on Progress in Supporting Business and Inclusive Growth

Cllr Clare Coghill introduced the paper, commenting that the implementation of the Pledges to support business had been affected by the Pandemic, but had since been reviewed. The revised Pledges would be discussed with economic development cabinet members on 3rd November, after which they would be incorporated into local recovery plans.

Cllr Coghill thanked Leaders for the involvement of their Cabinet members during the Pandemic to help protect London's businesses.

The Chair added that Covid-19 had deepened the already substantial issues regarding skills and employment within London's labour market. She noted the increase in Universal Credit claims and the high furlough rates in the capital, and also the long term impact on culture and tourism. In relation to the Pledges, one of the stated missions was to support unemployed Londoners into work via skills academies and green economy jobs

Cllr Graham Henson thanked Cllr Coghill for the work she and the Chair were doing in this area. Within his borough he recognised that there were a large number of low paid and zero hours contract workers and people currently furloughed: it was important for anyone losing their jobs that they could be reskilled, and welcomed the positive opportunities for jobs in London.

Members noted the report.

10. Feedback from Joint Boards

London Economic Action Partnership Board (LEAP)

The most recent meeting had considered:

- Covid-19 recovery;
- The Skills for Londoners Capital Fund;
- UK shared Prosperity Fund.

Skills for Londoners Board and Business Partnership Board

The Skills for Londoners Board had now combined with the Mayor's Business Advisory Board, and at the first meeting it had discussed:

- the rapid action required to support the sustainability of adult education during the Pandemic;
- the findings from the OECD's presentation on trends affecting London's skills and labour market;
- the London recovery work;
- the evaluation of the first year of the decentralized adult education budget.

London Crime Reduction Board

The Board had most recently discussed:

- the work to reflect the make up of London in policing;
- the challenges of Covid-19 restrictions within the Courts system.

Homes for Londoners Board (HfL)

The most recent meeting had discussed:

- the Quarter 1 reduction in planning applications and housing completions;
- the launch of the new housing investment scheme.

11. Minutes and Summaries.

Leader's Committee agreed to note the minutes and summaries of:

- Executive Minutes – 19 May 2020
- TEC Minutes – 11 June 2020
- Executive Minutes – 16 June 2020
- Audit Committee Minutes – 17 June 2020
- Grants Minutes – 8 July 2020
- TEC Executive Minutes – 16 July 2020
- Audit Committee Minutes – 17 September 2020

The Chair agreed to remove the press and public in that the following items were exempt from the Access to Information Regulations, and via Schedule 12A of the Local Government Act 1972 (Section 3) in that the items related to the financial or business affairs of a particular person (including the authority holding that information).

Leaders

Covid-19 Update

Item no: 4

- including an update from London Councils Pandemic Steering Committee

Report by: Doug Flight **Job title:** Strategic Lead
Date: 8 December 2020
Contact Officer: Doug Flight
Telephone: 07827 352 357 **Email** Doug.flight@londoncouncils.gov.uk

Summary

This report provides an overview of London local government's continuing response to Covid-19; the framework for sub-regional and pan-London collaboration; and our overview and governance arrangements – which have recently been strengthened by the instigation of the London Councils Pandemic Steering Committee.

A verbal update will be provided on key points from the most recent weekly meeting of the London Councils Pandemic Steering Committee on 1 December 2020.

Recommendations: Leaders are asked to consider and comment on key issues in the update to help steer London local government's continuing response to Covid-19.

Covid-19 Update

Background

1. London local government's Covid-19 related work sits within a broader partnership response and has evolved through distinct phases to reflect the evolution of the pandemic and national and local policy responses.
2. The initial response was grounded in established ways of working that have been developed through our long-standing shared commitment to building London's resilience and protecting Londoners. The local government response was initially escalated in step with the stand-up of the formal inter-agency London Covid-19 Strategic Coordination Group (SCG) - with London local government representation represented through London Local Authority Gold.
3. As the extent and duration of the pandemic became clearer, bespoke Covid-19 local authority co-ordination arrangements were introduced, to improve capacity and release the regular on-call Gold chief executive to respond to any other incidents which might occur. The arrangements relied on sub-regional working to provide improved strength and depth to the support for individual boroughs.
4. Summer 2020 provided the opportunity for a period of reflection, and a move in strategic focus from mitigating the immediate implications of the pandemic, to transition matters and planning London's recovery and renewal. At this stage, the partnership Strategic Co-ordination Group was stood down and the following were initiated:
 - **The London Transition Board** – co-chaired by the Secretary of State for Housing, Communities and Local Government, and the Mayor of London – attended by the London Councils' Chair, Deputy Chair and Vice-Chairs, representing the perspectives of London boroughs. It was originally envisaged that this Board would continue to meet monthly for the remainder of 2020. In view of the SCG being stood up again, it is now meeting on a 6-weekly cycle.
 - **The London Recovery Board (LRB)** - Co-Chaired by the Chair of London Councils together with the Mayor and attended by the London Councils' Deputy Chair and Vice-Chairs. The LRB was designed to plan and oversee the capital's wider long-term economic and social recovery. Through a series of social and economic working groups, a package of recovery missions has

been agreed and detailed action plans are being developed for consideration by the Board at its January 2021 meeting. Our leading members, who have been playing a central role in this work, are keen to find more formalised support for the programme, working across City Hall, London Councils and other key partners. Discussions have taken place with the GLA on the possible shape of this support and how it might be resourced.

- London Councils commissioned Mike Cooke to review London local government's collective response to the Covid-19 pandemic between March and July of this year. Mike Cooke presented to Leaders' Committee on 13th October.

Strengthened Arrangements – Autumn 2020

5. Members will be aware that after considering Mike Cooke's recommendations on 13 October 2020, Leaders' Committee went on to agree to formally establish a **London Councils' Pandemic Steering Committee**.
6. The membership includes the Elected Officers, supported by London Councils' chief executive and the coordinating borough chief executive – with wider attendance when it is required by the agenda. The Terms of Reference are attached as appendix A. Its core purpose is to bring political oversight and leadership to the pan-borough response to this a long-running state of affairs. NB: It was agreed that other short terms emergency management situations would be responded to as before, through the established 'Gold' arrangements.
7. The new Committee met for the first time on 27th October 2020 and has continued to meet on a weekly basis.
8. The Elected Officers also play a key part in the London Leaders Covid-19 Committee, along with the Mayor of London and senior resilience and public health officials. The Committee is regularly briefed by PHE on the latest data and analysis as part of ongoing discussions around potential escalation and de-escalation strategies. Members of the Executive will be aware that much of this material is then shared on a weekly basis with Leaders and Chief Executives via the 5.00pm call on a Monday.

9. At the time of drafting the SCG has been focussing on both co-ordinating London's strategic response to the pandemic and, at the request of Government, monitoring impacts arising from the end of the transition period with the European Union. Renewed arrangements for co-ordination at a sub-regional and pan-London level, known as London Local Authority Strategic Co-ordination (LLASC) measures, work at chief executive level feed into the SCG as well as the London Councils' Pandemic Steering Committee.

10. Update on Current Issues

11. Boroughs are receiving regular briefings from London's Public Health England team, with PHE sharing the latest epidemiological data at the weekly London Councils briefings for Leaders and Chief Executives.
12. London was subject to a national lockdown from Thursday 5th November and, at the time of drafting was set to end on Wednesday 2nd of December.
13. Government announced on the 26th November that London would be categorised as Tier 2 under a revised tiering system– with effect from the 2nd of December. It was announced that Decisions on which area goes into which tier are primarily based on 5 key epidemiological indicators:
- case detection rates in all age groups
 - case detection rates in the over-60s
 - the rate at which cases are rising or falling
 - positivity rate (the number of positive cases detected as a percentage of tests taken)
 - pressure on the NHS, including current and projected occupancy
14. In the background, discussions continue between London partners and Government on:
- The shape of wider escalation and de-escalation process.
 - Local -funding requirements

- Influencing the broader national policy response, to underpin boroughs' work to mitigate and adapt to evolving challenges in the best interest of London's residents and businesses.

Recent meetings of the Pandemic Steering Committee discussed and considered a number of key issues, including:

- *Targeted Testing & the 'Protect Programme'*

In anticipation of the end of the national lockdown, testing has continued to be a priority for boroughs and resilience partners. The Steering Committee was briefed on scenarios for the wider testing programme including asymptomatic testing. Leaders were sighted on both the possible benefits and limitations of asymptomatic testing, including how this may affect the number of 'positive' cases in London.

- *Homelessness*

London Councils continues to work through the SCG's structures in order to identify potential solutions to emerging issues around supporting rough sleepers this winter. It has been reported that at least 900 people are still rough sleeping in London. Leaders will be aware that the Government has announced further funding under the 'Protect Programme' of which London is expected to receive between £5-7m which will be shared between boroughs and the GLA. Whilst the support is likely to be welcomed by boroughs, concerns remain about the duration of funding, which is expected to end in March. Work continues to seek additional funding.

- *Food Support*

Dame Louise Casey attended the Pandemic Steering Committee to discuss her work on Food Support. She reported that food insecurity has been exacerbated since the outbreak of the pandemic and has continued to be an area of concern for local areas. Winter pressures could make Food Support an even greater concern. Dame Louise

outlined ways in which support could be added at a cross-borough level, including fundraising and signposting for the public.

- *Communications*

London Councils, alongside the GLA and the NHS, has played a core part in the 'Keep London Safe' campaign, including developing Covid-19 Christmas messaging. It was recognised that boroughs have their own individual Christmas messaging and that different messaging might work better in different areas.

Conclusion

15. The London Councils' Pandemic Steering Committee has continued to provide a formal channel for political oversight and leadership of the pan-borough response to the pandemic.
16. Since its outset, the Committee has initiated a number of key workstreams, and progress on these, and any other matters discussed at the Committee's meeting on the 2 December 2020 will be reported verbally to the Executive.
17. Leaders are asked to consider and continue to comment on key issues in the update to help steer London local government's continuing response to Covid-19.

Financial Implications for London Councils

This programme of work will represent a significant commitment of officer time across the organisation. This is currently being managed largely within existing overall budgets by a flexible deployment of resources.

Legal Implications for London Councils

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

Equalities Implications for London Councils

Equalities implications of key elements of the response will be considered as part of the Pandemic Steering Committee's remit.

Background Papers

Appendix A: Terms of Reference for London Councils Pandemic Steering Committee

Appendix A: Terms of Reference for London Councils Pandemic Steering Committee

Overview

This Committee was established following Leaders' Committee's consideration in October 2020 of lessons learned during the first wave of the Covid-19 pandemic. Its remit is to give pan borough political leadership to the pandemic. It will:

1. Receive briefings on emerging trends and issues pertaining to the pandemic from a local and sub-regional perspective.
2. Develop and seek to agree a London local government line on key issues, taking account of a range of borough perspectives.
3. Ensure effective political oversight of the London local authority Strategic Co-ordination arrangements for COVID-19.

Role of the Committee

- To receive reports and advice from the London Local Authority Strategic Co-ordinating Chief Executive (LASC) and assess the implications of available data and information.
- To provide strategic direction on any challenges/opportunities that might arise from the above in relation to the management of COVID-19 in London.
- To plan ahead to ensure longer term planning for future challenges arising from the pandemic.
- To form a London local government view of matters relating to the London *Leaders' COVID-19 Committee* as well as the *Transition and Recovery Boards*.
- To ensure the outcomes of the above are communicated appropriately at a London-wide, sub-regional and local level.

Membership

- London Councils Chair,
- Deputy Chair
- 3 Vice Chairs (cross party)
- Other Relevant LC Portfolio Holders and sub-regional political leads by invitation (*based on agenda*)
- London Local Authority Strategic Co-ordinating Chief Executive (LASC) +1 to ensure coverage and continuity
- Chief Executive of London Councils

Leaders' Committee

Local Government Finance - update

Item 5

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

Date: 8 December 2020

Contact Officer: Paul Honeyben

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Summary

This report updates Leaders' Committee on the outcome of the Spending Review on 25th November 2020, which sets government departmental expenditure limits for the next financial year (2021-22).

It is too early to confirm what the exact impact will be, and more detail is likely to emerge over time, however this paper outlines for Leaders the finance and policy announcements that impact upon London local government.

It also provides the latest update of the financial impact of the COVID-19 pandemic on London local government based on the latest funding announcements and October MHCLG survey.

Recommendations

Leaders' Committee is asked to note:

- the outcome of the Spending Review;
 - the proposed approach (set out in paragraph 12) to further finance lobbying that will be required ahead of the key events that are due in 2021-22; and
 - the latest estimates of the financial impact of Covid-19 on London local government.
-

Local Government Finance update

Introduction

1. On 25th November 2020 the Chancellor of the Exchequer, Rishi Sunak, delivered Spending Review 2020 (SR20). It confirmed broad plans for public spending in the 2021-22 fiscal year and contained a number of policy and funding announcements that will impact on London local government.
2. This report summarises the outcome of the Spending Review, highlighting a number of key issues that arise for London local government and looks ahead to the local government finance settlement in December as well as some of the key challenges for finance lobbying next year.
3. Following the previous finance update reports to Leaders' Committee and the Executive, a summary of the current estimates of the financial impact of Covid-19 pandemic on London local government.

Spending Review 2020

Lobbying

4. Prior to the Spending Review, London Councils submitted a detailed representation to HM Treasury in September that reflected priorities for a three-year CSR. Following confirmation of the review being downgraded to one year, the key priorities set out were for the Government to take immediate steps to address the short-term impact of Covid-19 on local government funding; for certainty regarding funding for 2021-22 as soon as possible; and for that funding to reflect above-inflation increase. A series of detailed asks were also set out to support boroughs in delivering the economic and social recovery the country needs. This was broadly supportive of the wider case made across the local government sector.
5. A range of lobbying activity followed, including publication of press releases on key issues within the submission, social media campaigning, a series of briefings with London MPs, journalists, business groups and other key stakeholders, and sharing oral and written parliamentary questions with London MPs and a template letter with London borough Leaders for them to write to their local MPs reflecting the key lobbying priorities, should the wish to.

Outcome and response

6. Having been downgraded from a multi-year to a one-year review, SR20 focussed on short term emergency measures to manage the impact of the Covid-19 pandemic, addressing immediate pressures and setting out initial steps towards the economic recovery.
7. With regard to local government finance, the key lobbying priorities identified ahead of the SR - to ensure London boroughs are supported financially with the immediate and ongoing impact of Covid-19; to deliver an above inflation increase in overall funding next year; and to provide as much certainty as possible ahead of the 2021-22 finance settlement - have, in broad terms, been met (see paragraphs 17-27).
8. On the key asks in supporting core services, there were some welcome announcements on social care funding, new funding for rough sleeping and homelessness, and continuation of the Troubled Families programme. However, wider asks in relation to pressures being felt in specific services – including public health, children’s social care, growing high needs deficits within the Dedicated Schools Grant, and support for people with No Recourse to Public Funds – have not been met and significant pressures in these areas are likely to remain next year (see paragraphs 28-35).
9. With regard to core lobbying asks in support of the economic recovery, investment in roads maintenance, electric vehicle infrastructure, housing delivery, fire safety, and a reduction in the PWLB borrowing rate are welcome. However, the scale of the asks around investing in the Green Recovery, skills devolution, a devolved approach to the UK Shared Prosperity Fund (UKSPF) and supporting business and the high street have not been met. More broadly, the direction of travel regarding wider capital investment through the revisions to the Green Book, the stated priorities for the UKSPF and the Levelling Up Fund, and the ending of work on Cross Rail 2, present significant immediate and longer term challenges for London and London boroughs (see paragraphs 36-39).
10. London Councils’ response welcomed the overall 4.5% increase in funding for next year, and the short-term certainty provided over funding, but raised concerns regarding the continuing financial impact of Covid-19 and the need for longer term certainty beyond 2021-22¹. It aligned with the wider response from the sector².

¹ <https://www.londoncouncils.gov.uk/press-release/25-november-2020/%E2%80%98spending-review-offers-some-short-term-help-%C2%A3500m-shortfall-still>

² <https://www.local.gov.uk/lga-responds-spending-review>

Next steps

11. Looking ahead, there are a number of key events in 2021-22 that will shape the future direction of local government finance over the coming years, including: a likely multi-year Spending Review; the Devolution White Paper; the long-awaited reforms to Adult Social Care; the outcome of the fundamental review of business rates; as well as decisions over the future of business rates retention and the distribution of funding via the Fair Funding Review. London Councils will lobby to influence each of these key events and continue to urge the Government to take a holistic approach to them, setting out a clear vision for local government finance rather than treating them in isolation.
12. It is, therefore, proposed to undertake further work in the New Year to develop a clearer London Councils view of how the finance system should be reformed, with fuller detailed proposals for how specific taxes could be devolved, which could involve closer working with other stakeholders in the sector, particularly in urban areas. Further work will also be done to ensure there is a robust evidence base regarding the impact of deprivation in driving the need for local government services in cities, in preparation for expected resumption and completion of the Fair Funding Review.
13. More immediately, while the SR has provided a helpful indication of the overall funding package for next year, there remain a number of funding streams that have not yet been confirmed, and further detail is required regarding some of the key funding announcements. London Councils will continue to seek clarity on these issues, and to lobby on behalf of London local government between now and the provisional local government finance settlement due in mid-December.
14. The remainder of the report summarises the detailed announcements in the Spending Review followed by the latest update on the financial impact of Covid-19.

SR20 – Detailed announcements

Headlines for London local government

15. The Spending Review contained a number of policies and announcements that are likely to impact on local government. The key headlines are summarised below:
 - **Total departmental spending will increase by £14.8 billion (4%)** in 2021-22.
 - Local government **Core Spending Power is estimated to increase by 4.5%** in 2021-22 (an increase of £2.2 billion nationally and approximately £330 million across London boroughs).

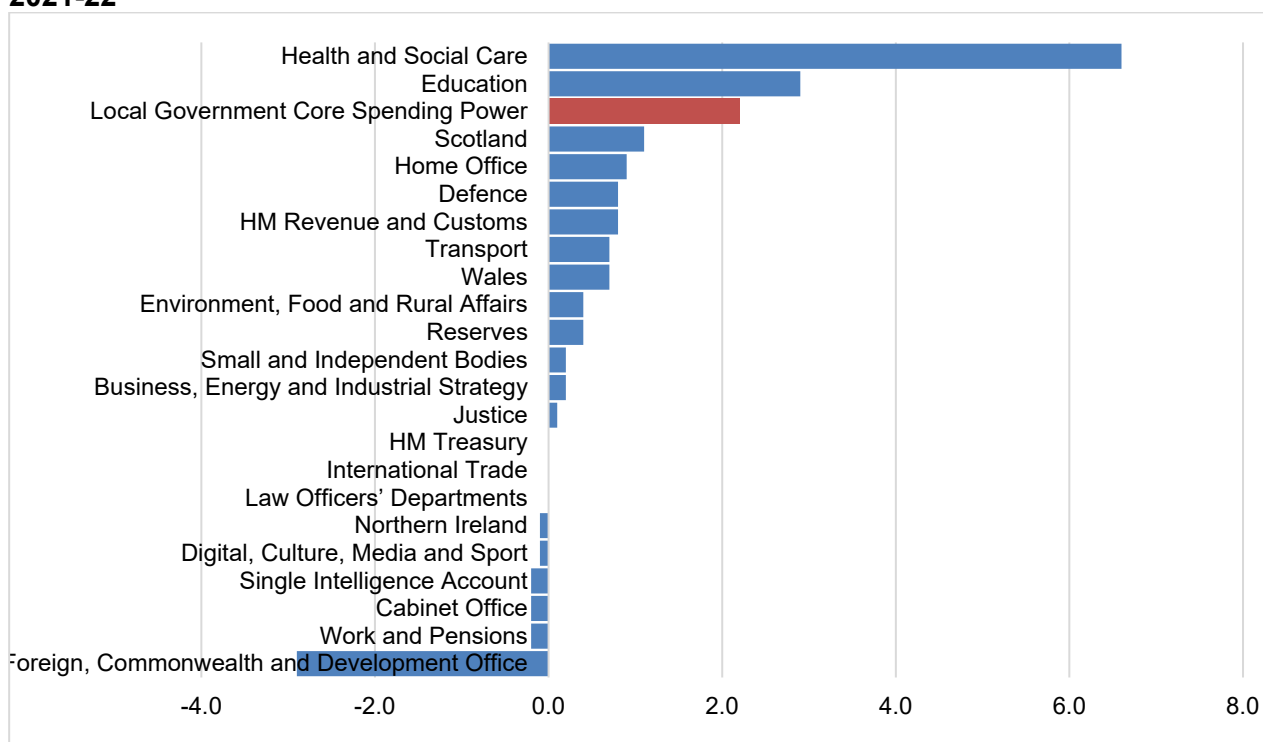
- **A further £3 billion of funding for COVID pressures will be provided in 2021-22,** including:
 - **£1.55 billion** of additional grant funding;
 - a compensation scheme for **75% of “irrecoverable” council tax and business rates losses** (estimated at £765 million nationally);
 - an **extension of the existing sales, fees and charges compensation scheme** to the first three months of 2021-22; and
 - a further **£670 million** of funding to support households least able to afford council tax payments.
- The Government will consult on a main **Council Tax referendum limit of 2% and an Adult Social Care Precept limit of 3%** in 2021-22 to be confirmed in the final LGF Settlement.
- An extra **£300 million was confirmed for social care** (to be spent on both adult and children’s social care), of which it is estimated London boroughs will receive around £48 million.
- **All the existing social care grants will continue at current cash levels** including the Social Care Grant (£1.4 billion nationally and £223 million London) and the Improved Better Care Fund (£2.1 billion nationally and £336 million across London).
- The **Public Health Grant will also continue at current levels** (£3.3 billion nationally and £658 million across London).
- Proposals for the **“sustainable improvement of the adult social care system” are to be published next year.**
- The **business rates multiplier will be frozen in 2021-22**, with councils fully compensated for any losses.
- The **existing business rates grant schemes will end in March** and decisions over the continuation of reliefs schemes (for example retail hospitality and leisure businesses) will be taken in the new year.
- A further **£254 million will be allocated for rough sleeping** (including £103 million that had been announced earlier in the year).
- A **National Home Building Fund will be set up, worth £7.1 billion** over the next four years (£2.3 billion of which is new money).
- The overall **Schools budget will increase by £2.2 billion** in 2021-22, but there is no new funding beyond what was announced at SR19.
- **£220 million will fund a pilots programme** in 2021-22 to help areas prepare for the introduction of the UKSPF.

- A **Levelling Up Fund** will be established for local infrastructure projects worth £4 billion.
- The National Infrastructure Strategy was published, confirming funding for the **completion of Crossrail**, but that **work on Crossrail 2 will stop** and, more broadly, that the Government is “**pivoting investment away from London**”, as part of its levelling up agenda.
- **PWLB lending rates will be cut** to gilts + 100bps for Standard Rate and gilts + 80bps for Certainty Rate.

Departmental spending

16. Overall, departmental spending will increase by £14.8 billion next year (4%). A table showing the change in all departmental expenditure limits can be found at **Appendix A**. The chart below shows how the change in local government Core Spending Power compares with the overall change in resources for other departments. These figures represent changes in core budgets, not including any additional funding due to Covid-19.

Chart 1 - Change in core funding (excl. C19 funding) by department (£bn) - 2020-21 to 2021-22



Local government funding

17. One of London Councils' main asks ahead of the Spending Review was for financial certainty, and the Government has provided a good indication of the likely level of funding

for local government for next year, final details for which will be confirmed in the provisional local government finance settlement in December.

Core Spending Power

18. Overall, Core Spending Power (CSP) is estimated to increase by 4.5% in cash terms (£2.2 billion at the national level and approximately £330 million for London boroughs) next year. However, this assumes all councils raise council tax and the adult social care precept (ASCP) by the maximum allowed (see paragraph 20).

19. This represents an above inflation increase – again in line with what London Councils had called for ahead of the Spending Review. The table below shows the change in the resources going to local government from the Local Government Resource Departmental Expenditure Limit (RDEL) and the overall change in CSP, which represents a broad measure of overall resources available to councils, consisting of Council Tax, Settlement Funding Assessment, and some specific grants.

Table 1 – Local Government Funding (£bn)

	2020-21	2021-22	Change	Change (%)
Resource DEL excluding depreciation	8.6	9.1	0.5	5.8%
Covid-19 resource DEL excluding depreciation	3.5	3.0	-0.5	-14.3%
Total DEL	12.1	12.0	-0.1	-0.8%
Core Spending Power (CSP)	49.0	51.2	2.2	4.5%

Source: SR20 Table 6.16, p74

NB – the table excludes any Covid-19 related funding

Council Tax

20. The Government will consult on a main Council Tax referendum threshold of 2% in 2021-22 and will continue the ASCP with an increased threshold of 3% to help fund pressures in adult social care. Police and Crime Commissioners (including the Mayor of London) will have the flexibility to increase funding up to a £15 limit on a Band D property.

SFA and business rates

21. Settlement Funding Assessment (SFA), which includes Revenue Support Grant and Baseline Funding (retained business rates), will increase in line with CPI inflation (0.5%), and councils will be compensated (through section 31 grants) for a freeze in business rates in 2021-22.

22. Alongside delaying the move to 75% Business Rates Retention and the implementation of the Fair Funding Review, as expected, the Government will not proceed with a reset of

business rates baselines in 2021-22. The SR confirms that the revaluation of business rates will proceed in 2023, and the final report of the fundamental review of business rates will be published in the Spring.

23. The SR confirms that the existing business grants schemes (for small businesses for businesses in the retail, hospitality and leisure sectors) will end. However, further details, and plans for new business rates reliefs, will be set out in the New Year.

Specific Grants

24. Two of the largest grants London boroughs receive - the Improved Better Care Fund and Public Health Grant - will continue at the current level (totalling almost £1 billion together for London), both of which fall short of lobbying asks for health and care related funding streams to be linked to increases in the NHS budget. The existing Social Care Grant, for adult and children's social care, worth £1.4 billion in 2020-21 (£223 million in London), will continue with a further £300 million to be allocated in 2021-22.
25. The New Homes Bonus will be extended for a further year, although won't attract legacy payments (as is the case in 2020-21). The Government will consult on reforms to the New Homes Bonus shortly, with a view to implementing reform in 2022-23. The Troubled Families Programme (£165 million) will also continue at current 2020-21 cash levels.

Covid-19 funding

26. An additional £3 billion of funding was set out for councils in 2021-22, including £1.55 billion of further un-ringfenced grant funding to deal with spending pressures (were London boroughs to receive the same share of this as the first 4 emergency tranches, they would receive approximately £270 million); a scheme that compensates councils for 75% of lost "irrecoverable" council tax and business rates income, which the Government estimates this to be worth £762 million nationally; £670 million to support local Council Tax Support schemes; and an extension of the Sales, Fees, and Charges reimbursement scheme for three months, to the end of June 2021.
27. Compensating tax losses resulting from the pandemic was one of London Councils' urgent priorities for the SR, so the 75% scheme, while not providing full compensation, is broadly welcome. However, the exact detail of how "irrecoverable" tax losses will be measured is still to be confirmed, and based on the Government's overall estimate of the costs of the scheme (£762m nationally) it looks unlikely that 75% of the £463 million of tax losses boroughs currently estimate for 2020-21 will be recovered.

Other key announcements

Health & social care

28. The NHS England budget will rise by £6.3 billion in 2021-22 – including an additional £3 billion next year to support the NHS recovery from the impacts of COVID-19 announced prior to the SR.
29. In addition to the continuation of the ASCP, confirmation of existing grants and additional £300 million for social care, the SR confirms the Government intends to bring forward proposals for the “sustainable improvement of the adult social care system” next year.

Housing

30. With regard to homelessness, £254 million of funding was set out to support rough sleepers and those at risk of homelessness during Covid-19, around £150 million of which is new money and will support frontline services through the Rough Sleeping Initiative. £87 million of capital funding will also be committed in 2021-22 to support prison leavers at risk of homelessness into private rental tenancies.
31. With regard to housing delivery, a National Home Building Fund (NHBF) initially worth £7.1 billion will be set up over the next four years to unlock up to 860,000 homes. Around £4.8 billion of this is capital grant funding that had already been set out for land remediation, infrastructure investment, and land assembly, meaning around £2.3 billion is new funding. Further funding for the NHBF will be confirmed at the next multi-year spending review.
32. An additional £30 million will be provided to help deliver the new building safety regime, taking resource funding to at least £70 million in 2021-22. This includes funding for a new building safety regulator to oversee a more stringent regime for higher-risk buildings. The SR also confirmed £1.6 billion of capital to remove unsafe cladding from high rise buildings.

Education and skills

33. No new funding for the core Schools budget was set out, although the SR did it will increase by £2.2 billion in 2021-22 as announced at SR19.
34. Further relevant announcements included: £44 million for early years education in 2021-22 to increase the hourly rate paid to childcare providers for the government’s free hours

offers; £291 million for Further Education in 2021-22 to ensure that core funding for 16 to 19-year olds is maintained in real terms per learner; £375 million for the National Skills Fund in 2021-22; £2.5 billion for apprenticeships and further improvements for employers; and £220 million Holiday Activities and Food programme to provide enriching activities and a healthy meal for disadvantaged children in the Easter, summer and Christmas holidays in 2021.

Transport

35. With regard to transport, £1.7 billion will be awarded in 2021-22 for local roads maintenance and upgrades to tackle potholes, relieve congestion and boost connectivity (the distribution for which is awaited). A further £1.9 billion of investment was set out for electric vehicle charging infrastructure and grants for zero and ultra-low emission vehicles until 2024-25. Both of these align with London Councils' lobbying asks prior to the SR.

Capital and infrastructure

36. As part of plans to deliver over £600 billion of gross public investment over the next five years set out in the Budget in March, SR20 announced £100 billion of capital spending in 2021-22, a £27 billion real terms increase compared to 2019-20. This includes almost £19 billion of transport investment next year, of which £1.7 billion will be for local roads maintenance and upgrades.
37. There was a heavy emphasis on "levelling up" throughout the SR document and the National Infrastructure Strategy (NIS), published alongside it. A new Levelling Up Fund for England worth £4 billion will be established to invest in local infrastructure projects up to £20 million, with up to £600 million in 2021-22. This appears to be a competitive bidding process with the prospectus for the Fund and launch of the first round of competitions planned for the New Year. The NIS explicitly stated the Government's intention is to "pivot investment away from London", and while did confirm financing of the completion of Crossrail, development on Crossrail 2 will be stopped "to free up investment in public transport networks in the regional cities". It also confirmed that a new National Infrastructure Bank will be based in the north of England and that the government will invest £210 million in 2021-22 in enabling departments to further relocate out of London. Changes to the Green Book methodology for assessing economic value of projects also signal a move away from investment in London and have been made with the explicit aim "to help achieve the aim of addressing regional imbalances."

38. Plans for the UK Shared Prosperity Fund (UKSPF) were set out with domestic UK-wide funding at least matching current EU receipts, and to reach an average of £1.5 billion a year with further details to be published in the Spring. In 2021-22, £220 million will be provided for areas to prepare for the introduction of the UKSPF. Again, there is an emphasis on levelling up and a portion of the fund will target areas such as “ex-industrial areas, deprived towns and rural and coastal communities”.
39. Revisions to PWLB lending terms were set out, with the aim of ending the use of the PWLB for investment property bought primarily for yield, and, encouragingly, the Government will cut PWLB lending rates to gilts + 100bps for Standard Rate and gilts + 80bps for Certainty Rate. However, there was no signal of a separate rate for Green investment that London Councils has called for.

Covid-19 - latest financial impact

40. Since the last report to Leaders’ Committee in October, there have been several further Covid-19 funding announcements, including confirmation of a fourth tranche of general emergency funding; Test and Trace support grants; a LA compliance & Enforcement grant; the Contain Outbreak Management Fund; funding for Clinically Extremely Vulnerable; the Covid Winter Grant; and rough sleeping funding for the Protect Programme and a Cold Weather Payment. All funding streams confirmed so far are listed in the table as Appendix B. London boroughs’ share of the overall England total for all targeted and general grants remains at around 16% (in line with the share of the overall population).
41. The latest monthly MHCLG C19 financial impact survey (undertaken in October) showed the overall impact across London boroughs in 2020-21 was forecast to have increased slightly to **£2.1 billion**, with an estimated **£1.1 billion in lost income** and over **£1 billion in additional expenditure** (see Table 2 below). Taking into account the £1.4 billion of funding received by London boroughs (£805 million in general emergency funding, £348 million in targeted grants, and the estimated SF&C compensation for the whole year £233 million), leaves an **estimated funding gap of £696 million** for the year as a whole.
42. However, the October survey was undertaken before the second national lockdown began and before the emerging impact of London being placed in tier 2 under the COVID alert tier system would have been fully known. It is highly likely that the estimated impact, both in terms of additional expenditure and on lost income, will see significant increases in the November returns.

Table 2 – C19 financial impact on London boroughs 2020-21 – October 2020 summary

	2020-21
Additional expenditure - ASC	350
Additional expenditure - Unachieved savings	148
Additional expenditure - All other	512
TOTAL ESTIMATED ADDITIONAL SPENDING	1,010
Reduced income - Sales, fees and charges	444
Reduced income - Council Tax (local share)	226
Reduced income - NNDR losses other (local share)	237
Reduced income - HRA	72
Reduced income - Commercial Income	49
Reduced income - Other	45
TOTAL ESTIMATED INCOME LOSS	1,072
TOTAL ESTIMATED FINANCIAL IMPACT	2,082
Emergency funding received so far	-805
Relevant ringfenced specific grants received so far	-348
SFC Compensation scheme	-233
FUNDING GAP	696

43. Around £463 million of the overall impact relates to the estimated local share of council tax and business rates losses. As set out in paragraph 27, the Government committed to funding 75% of “irrecoverable” tax losses in the Spending Review, but the exact detail of how this will be measured is still to be confirmed. Based on what has been published in the SR, it is unlikely that 75% of the £463 million of tax losses London boroughs currently estimate for 2020-21 will be recovered.

44. London Councils has updated modelling of the potential additional costs and income losses that may result from the second wave of COVID-19 in the remaining months of the current financial year using the data collected from the first 7 MHCLG surveys. This attempts to take account of the latest national lockdown and makes assumptions about the subsequent level of recovery by the end of March. It also takes into account the potential compensation that further SF&C, council tax and business rates losses would deliver – making assumptions about the new 75% tax compensation scheme. The modelling suggests there could still be a funding gap in excess of £500 million across London boroughs as a result of the impact of Covid-19 on expenditure and income losses incurred in 2020-21, but it is worth noting that the proportion of this that relates to tax losses will not hit budgets until 2021-22.

Recommendations

45. Leaders' Committee is asked to note:

- the outcome of the Spending Review;
- the proposed approach (set out in paragraph 12) to further finance lobbying that will be required ahead of the key events that are due in 2021-22; and
- the latest estimates of the financial impact of Covid-19 on London local government.

Financial Implications for London Councils

None

Legal Implications for London Councils

None

Equalities Implications for London Councils

None

Appendix A – Resource DEL (excluding depreciation) by department 2020-21 to 2021-22 (with and without Covid-19 funding)

£ billion	Core funding					Covid-19 funding		Total including Covid-19		
	2019 baseline	2020 baseline	Plans	Nominal uplift	Year-on-year real growth	Plans	Plans	Plans	Plans	Year-on-year real growth
	2019-20	2020-21	2021-22	2020-21 vs 2021-22	2019-20 to 2021-22	2020-21	2021-22	2020-21	2021-22	2019-20 to 2021-22
Resource DEL excluding depreciation										
Health and Social Care	132.4	140.5	147.1	6.6	3.5%	50.1	20.3	190.6	167.4	10.4%
<i>of which: NHS England</i>	123.7	129.9	136.1	6.3	3.0%	9.5	3.0	139.4	139.1	4.1%
Education	64.0	67.8	70.7	2.9	3.2%	1.4	0.4	69.2	71.1	3.5%
<i>of which: schools</i>	44.4	47.6	49.8	2.2	3.9%	0.0	0.0	47.6	49.8	3.9%
Home Office	12.0	12.8	13.7	0.9	4.9%	1.2	0.0	14.0	13.7	5.0%
Justice	7.6	8.3	8.4	0.1	3.3%	0.3	0.2	8.6	8.7	4.8%
Law Officers' Departments	0.6	0.7	0.7	0.0	8.0%	0.0	0.0	0.7	0.7	8.0%
Defence	29.7	30.7	31.5	0.9	1.1%	0.0	0.0	30.7	31.5	1.1%
Single Intelligence Account	2.0	2.4	2.2	0.1	2.3%	0.0	0.0	2.4	2.2	2.3%
Foreign, Commonwealth and Development Office	9.5	10.3	7.4	-2.9	-15.5%	0.0	0.0	10.4	7.4	-15.5%
MHCLG Local Government	6.1	5.4	8.5	2.0	7.8%	14.5	3.0	19.9	11.5	24.2%
MHCLG Housing and Communities	1.6	2.7	1.9	0.2	8.9%	0.2	0.2	2.9	2.1	13.6%
Transport	3.5	4.0	4.7	0.7	13.8%	12.6	2.1	16.6	6.8	36.4%
Business, Energy and Industrial Strategy	2.2	2.2	2.4	0.3	3.3%	18.6	1.3	20.8	3.7	27.1%
Digital, Culture, Media and Sport	1.5	1.7	1.6	0.0	2.3%	2.0	0.0	3.7	1.6	2.3%
Environment, Food and Rural Affairs	1.9	3.9	4.3	0.4	46.1%	0.5	0.0	4.3	4.3	46.1%
International Trade	0.5	0.5	0.5	0.0	1.8%	0.0	0.0	0.5	0.5	1.8%
Work and Pensions	5.6	5.8	5.6	-0.2	-1.7%	1.8	3.6	7.6	9.2	25.9%
HM Revenue and Customs	3.7	4.0	4.8	0.8	10.6%	0.1	0.0	4.1	4.8	10.9%
HM Treasury	0.2	0.2	0.2	0.0	2.0%	0.0	0.0	0.2	0.3	8.9%
Cabinet Office	0.5	0.8	0.6	-0.2	3.3%	0.4	0.0	1.2	0.6	3.3%
Scotland	28.3	30.6	31.7	1.0	3.9%	8.2	1.3	38.8	33.0	6.0%
Wales	11.9	12.8	13.5	0.7	4.7%	5.0	0.8	17.8	14.3	7.6%
Northern Ireland	10.7	12.0	11.9	0.0	3.8%	2.8	0.5	14.8	12.5	6.1%
Small and Independent Bodies	2.1	2.2	2.4	0.2	5.1%	0.0	0.0	2.2	2.4	5.1%
Reserves	6.0	7.7	8.1	0.4	14.3%	21.3	21.3	24.1	29.4	117.4%
Adjustment for baselined funding	-1.1	0.0	0.0	0.0	N/A	0.0	0.0	0.0	0.0	N/A
Total Resource DEL excluding depreciation	343.0	369.9	384.6	14.8	3.8%	141.1	55.0	506.1	439.6	11.0%
Allowance for shortfall	-	-	-	-	-	-	-	-12.0	-6.1	N/A
Total Resource DEL excluding depreciation, post allowance for shortfall	343.0	369.9	384.6	14.8	3.8%	141.1	55.0	494.1	433.5	10.2%
Memo:										
Local Government Core Spending Power	46.2	49.0	51.2	2.2	3.3%					

Appendix B – All funding measures announced since the start of COVID-19

All funding measures announced since the start of COVID-19

	Date	Type of funding	ENGLAND	LONDON BOROUGH	% share
Rough Sleeping Fund	16-Mar	Targeted	3.2	0.9	26.6%
Hardship Fund	24-Mar	Compensation	500.0	89.5	17.9%
Emergency funding (tranche 1)	27-Mar	General	1,600.0	254.2	15.9%
Business Grants Fund	01-Apr	Compensation	11,010.2	1607.7	14.6%
C-19 Business Rates reliefs	22-Apr	Compensation	10,130.7	3040.0	30.0%
Emergency funding (tranche 2)	28-Apr	General	1,594.0	245.0	15.4%
Discretionary Business Grants Fund	01-May	Compensation	550.5	80.4	14.6%
Infection control fund for adult social care (tranche 1)	15-May	Targeted	600.0	50.7	8.5%
Active Travel Fund	23-May	Targeted	221.6	20.0	9.0%
Reopening High Streets Safely	24-May	Targeted	50.1	8.0	16.0%
Test and Trace	10-Jun	Targeted	300.0	60.2	20.1%
Welfare support grant	11-Jun	Targeted	63.0	10.1	16.1%
Emergency funding (tranche 3)	16-Jul	General	494.0	87.4	17.7%
Local Lockdown Grant Fund	09-Sep	Compensation	1,005.4	261.1	26.0%
Next Steps Accommodation Programme	17-Sep	Targeted	91.5	23.0	25.1%
Infection control fund for adult social care (tranche 2)	01-Oct	Targeted	546.0	56.9	10.4%
Test and trace support grants	06-Oct	Targeted	50.0	8.4	16.8%
LA compliance & Enforcement grant	08-Oct	Targeted	30.0	5.3	17.7%
Protect Programme (housing)	13-Oct	Targeted	15.0	TBC	TBC
Emergency funding (tranche 4)	22-Oct	General	919.0	218.0	23.7%
Contain Outbreak Management Fund*	23-Oct	Targeted	465.0	72.3	15.6%
Additional Restrictions Grant.	03-Nov	Compensation	1,130.9	179.2	15.8%
Clinically Extremely Vulnerable Support Grant	02-Nov	Targeted	32.8	4.7	14.5%
Covid Winter Grant	11-Nov	Targeted	170.0	27.4	16.1%
Cold Weather Payment (housing)	05-Nov	Targeted	10.0	TBC	TBC

General	4,607.0	804.6	17.5%
Targeted	2,648.1	347.9	13.1%
Compensation	24,327.7	5,257.9	21.6%
Total	31,582.8	6,410.4	20.3%

Leaders' Committee

Thrive LDN

Item no: 6

Report by: Clive Grimshaw **Job title:** Strategic Lead for Health and Social Care
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Summary In July 2017, the Mayor of London launched Thrive LDN as a citywide movement to ensure all Londoners have an equal opportunity for good mental health and wellbeing.

Recommendations Leaders' Committee is asked to:

1. Note the activity being undertaken by Thrive LDN prior to and during the Covid-19 pandemic
2. To discuss and comment on the future priorities outlined, both over the next three to six months and longer-term

Thrive LDN

Background

1. In July 2017, the Mayor of London launched Thrive LDN as a citywide movement to ensure all Londoners have an equal opportunity for good mental health and wellbeing. Thrive LDN is led by the London Health Board, in partnership with Greater London Authority, the NHS in London, Public Health England (London Region) and London Councils.
2. London local government has been embedded within the governance of the programme from the outset, and the involvement of London local government leaders in shaping the programme has been fostered at all levels from engagement via the London Health Board to local-level partnerships. Local government leaders also occupy formal roles within the governance of Thrive LDN; Mayor Philip Glanville and Cllr Jacqui Dyer MBE act as co-leads of the programme and the Thrive LDN Advisory Group is Chaired by Paul Najsarek, Chief Executive of Ealing Council.
3. Thrive LDN's approach is to effectively advance social change through a blend of bottom-up and top-down initiatives. In practice this means working across a network of organisations in the London system to generate scalable and sustainable improvements for Londoners. As a participation-driven partnership, Thrive LDN support a community of individuals and organisations from across the health and care system and the voluntary and community sectors who can mobilise this transformation.
4. Since March 2020, Thrive LDN has also been coordinating the public mental health response to the coronavirus pandemic on behalf of Public Health England London and wider partners, with the aim of ensuring London's diverse communities have the strength and resilience to cope with and overcome unprecedented events. Thrive LDN was ideally placed to lead the coordination and has utilised their existing resources and partnerships to create, scale and step up activities to meet the evolving mental health needs of Londoners during the pandemic.
5. This report describes –
 - The ongoing activity of Thrive LDN, including the public mental health response to the Covid-19 pandemic

- The direction of travel for the future mental health response and recovery work in London, and wider strategic priorities
- Opportunities for continued borough engagement with the Thrive LDN programme

Thrive LDN programme pre-Covid-19

6. Before Covid-19 reached London, Thrive LDN had done quite extensive engagement with partners, to agree Thrive LDN's strategic priorities and programme for 2020/21. Some activities had to be paused during the first half of 2020/21, however, all planned activities are now delivering in addition to the Covid-19 response and recovery work detailed below. Main activities –

7. Young Londoners' mental health:

- The Youth Mental Health First Aid programme is on track to train a Youth Mental Health First Aider in every school, college and university in London, along with over 2,000 other youth settings by July 2021, the programme is currently operating in every London borough, and is carried out with the support of local authority partners who are promoting this training to schools and colleges.
- Facilitation of a young Londoner-led festival to mark World Mental Health Day on 10 October. More than 100 young people were involved in developing and delivering the festival programme and more than 1,000 people accessed the range of performances, panel discussions, workshops and resources on the day.
- In partnership with Team London, the Young London Inspired grants scheme to award grants to create volunteering and social action projects with and for young Londoners has resumed.
- A further education mental health and wellbeing needs assessment has been completed and a higher education mental health and wellbeing needs assessment is due to be completed in January 2021.

8. Right to Thrive:

- Right to Thrive is Thrive LDN's ongoing commitment to celebrate and protect diversity in London, especially for those at higher risk of unfair treatment based on their identity, beliefs or social class, and encompasses a range of

projects, activities and events co-developed with Londoners from disadvantaged groups.

- The Right to Thrive grants scheme has awarded £200,000 in the past nine months to support 24 community-led mental health projects developed with and for intersectional and marginalised groups in London.

9. Suicide Prevention:

- Thrive LDN is the Regional Lead for Suicide Prevention on behalf of NHS London and has continued to facilitate multi-agency working across London regionally, sub-regionally and locally.
- The existing Thrive LDN Suicide Prevention Information Sharing Hub is being used regularly by 30 out of 33 London local authorities (including the City of London) and the expansion to sharing information on attempted suicides and self-harm is planned for early 2021.
- Suicide Awareness training for schools, colleges and universities has resumed and is on track to have delivered in every London borough by July 2021, this programme is carried out with the support of borough officers.

10. Communications and Campaigns:

- Delivery of several regional, sub-regional and local public mental health campaigns. Namely, the #ZeroSuicideLDN campaign in partnership with the Mayor of London and Zero Suicide Alliance, which has seen over 160,000 Londoners complete free, online Suicide Prevention training in the past 12 months.
- Thrive LDN has a two-year partnership with Rethink Mental Health and Inside Job Productions to pilot new approaches to the production of mental health information in prisons, with successful approaches being rolled out over two years to all 14 prisons within the Greater London Region.

11. Academic and international partnerships:

- Thrive LDN has continued to support academic and international partnerships to share learning and best practice. Most notably, through partnering with King's College London's Centre for Society and Mental Health and the International Initiative for Mental Health Leadership.

Coordinating the public mental health response to Covid-19

12. Thrive LDN's public mental health response to Covid-19 is composed of four main functions –

- **Coordination:** Thrive LDN provides a coordination function across regional, sub-regional and local partners. In a formal sense, this is through established governance arrangements, namely the Thrive LDN Advisory Group, and through close working with the Strategic Coordination Group. More broadly, Thrive LDN work with their existing resources and partnerships to create, scale and step up various activities to meet the evolving mental health needs of Londoners during the pandemic.
- **Research and Community Insights:** Thrive LDN publishes regular working papers, briefings and guidance summarising the known impact of Covid-19 on Londoners' mental health and wellbeing and suggested actions to address immediate and anticipated future needs.
- To improve the representativeness and inclusiveness of available information, Thrive LDN has an ongoing community engagement and participatory action research project to understand more about the experiences of Londoners who entered the pandemic from positions of disadvantage. To date, Thrive LDN has worked with over 200 community groups and listened to over 10,000 Londoners from 20 disproportionately at risk groups. Whilst this work is ongoing, an initial summary of findings and suggested actions (the 'Thrive Together' report) was published at the London Health Board meeting on 20 October.
- **Communications and Campaigns:** Thrive LDN develop and distribute a weekly Communications and Digital Communications Toolkits with agreed public mental health messaging. The Toolkit is well used across all areas of the health and care system. Thrive LDN has also developed targeted communications and campaigns projects to address language, cultural and structural barriers to accessing mental health information, advice and support.

13. Some key achievements of Thrive LDN's public mental health response are –

- In partnership with London Councils and borough community support hubs, Thrive LDN printed and distributed 96,000 mental health resources to vulnerable Londoners, particularly targeting non-digitally active Londoners.

- In partnership with the Mayor of London and Doctors of the World, Thrive LDN developed mental health information and guidance available in 30 languages.
- In partnership with Transport for London (TfL), Thrive LDN delivered a mental health poster campaign across the entire TfL network.
- Thrive LDN developed a coordinated bereavement support plan and suicide prevention plan with key partners.
- In partnership with the Digital Improving Access to Psychological Therapies (IAPT) Team and IAPT Clinicians, Thrive LDN developed the 'Coping Well During Covid' and 'Keeping Well for Health and Care Workers' webinar series.
- In partnership with GLA Growth Hub, Thrive LDN develop a mental health training and support resource for GLA Growth Hub Advisors to support them with challenging conversations they were having with employers and business owners in London.
- Thrive LDN supported Good Thinking, London's digital mental wellbeing service, to develop a comprehensive digital mental health and wellbeing offer for Londoners.

Support for partners during future Covid-19 management

14. Towards the end of October and to coincide with the announcement of a second national lockdown, Thrive LDN was asked by local government colleagues to undertake an initial, rapid assessment of public mental health risks over the next three to six months and to develop an outline public mental health plan. The plan has since been endorsed by the Strategic Coordination Group and included in London's asks of the Secretary of State letter sent on the 13 November 2020.
15. Existing activities outlined above will continue. In addition, Thrive LDN has identified several priorities. Key activities include –
 - **Research and Community Insights:** In addition to the work underway, Thrive LDN will undertake a 'prediction and prevention' exercise to understand potential scenarios over the next three to six months and develop plans to mitigate mental health risks. As much as possible, this will be inclusive of wider issues than Covid-19 affecting Londoners' mental health and wellbeing.
 - **Right to Thrive:** Thrive LDN is currently expanding their Right to Thrive programme to offer additional support and development opportunities to

grassroots groups to support them to build their resilience for the coming months.

- **Resilience:** Evidence shows a clear relationship between resilience and coping during the pandemic. Thrive LDN is currently mobilising a new Resilience programme across London. This will include a resilience and social connectedness promotion campaign, a mental wellbeing and resilience promotion programme, an emotional resilience programme and a parenting support programme. All programmes are intended to build on work already commissioned locally and will be informed by boroughs and voluntary and community sector organisations already operating in this space.
- **Enhanced support for those struggling financially:** Debt is one of the best evidenced risk factors for poor mental health and suicide. In partnership with Trussell Trust, Debt Free London and London Sustainability and Transformation Partnerships (STPs), Thrive LDN is developing targeted mental health and suicide prevention outreach to those struggling financially. The project will see mental health advice and debt advice resources distributed to all London food banks and other community hubs.
- **Suicide Prevention:** Thrive LDN was awarded additional funding from ADPH London, as part of the Sector-led Improvement programme, to develop additional support for those bereaved by suicide. This project is being developed with the pandemic in mind and a 'Support after sudden bereavement during the Covid-19 pandemic' Toolkit was published at the end of November.

Longer-term strategic priorities

16. Business Planning for 2021/22 is underway. Thrive LDN will continue to deliver the public mental health response to the pandemic for as long as is needed, however there are some additional emerging strategic priorities for next financial year –

- **Mental Health Recovery Mission:** This work is being led by Greater London Authority, with Thrive LDN part of the development group. Thrive LDN will continue to support the development of the mental health recovery mission over the next few months and consider their role in delivering the mission, as appropriate.

- **Responding to Community Insights:** More broadly, Thrive LDN is committed to continuing to engage with Londoners across the city and co-develop projects and activities in response to insights shared.
- Overall findings thus far indicate that, for many communities across London, the coronavirus pandemic is seen as the latest crisis event in a crisis trend – a steadily worsening series of situations disadvantaged communities across London face. This is against a backdrop of vital conditions for wellbeing and resilience being eroded over time and a fear for what's to come – be that a worsening pandemic, winter challenges, uncertainty over income and employment or difficulties in departing the EU on 31st December.
- Findings also illustrate a general sense of loss across all aspects of many Londoners' lives: loss of loved ones, employment, relationships, homes, education and wider opportunities. However, there is also a definite theme of hope. Communities disproportionately affected by the coronavirus pandemic, who already experienced poorer social, economic and health outcomes, identified the significance of family and support structures, and the support offered by wider community and faith groups. Early findings show a clear relationship between resilience and coping with uncertainty, and the power of relationships, collectivising, and social networks.
- Thrive LDN is working with communities across London to develop longer-term partnerships, projects and activities across eight themes: (1) Strengthen community; (2) Address discrimination; (3) Balance uncertainty for the future; (4) Financial security; (5) Value family and support structures; (6) Digital inclusion; (7) Improve access to information, advice and support and (8) Commit to delivering change with Black, Asian and minority ethnic communities.

Opportunities for borough engagement

17. As a participation-driven partnership, Thrive LDN activities and programmes are delivered with and through boroughs as well as a community of individuals and organisations from across the health and care system and the voluntary and community sectors.
18. Thrive LDN has strong relationships with London boroughs and is committed to strengthening these relationships over the coming months and years. The support and input from partner organisations, including local authorities, has been fundamental to the success of Thrive LDN projects and activities to date. London boroughs have played a key role in informing Thrive LDN's activities and

approach to supporting good mental health and wellbeing, and have strengthened links into local communities and networks.

19. There are opportunities for further borough engagement around the next phase of the public mental health response to the pandemic and how we could work together to ensure we are supporting the most disadvantaged and vulnerable Londoners through what will be a challenging few months for many. In addition, there are further opportunities for boroughs to inform Thrive LDN's longer-term strategic priorities.

Recommendations

20. Leaders' Committee is asked to:

- Note the activity being undertaken by Thrive LDN prior to and during the Covid-19 pandemic
- To discuss and comment on the future priorities outlined, both over the next three to six months and longer-term

Financial Implications for London Councils

None

Legal Implications for London Councils

None

Equalities Implications for London Councils

None

Leaders' Committee

Pledges to Londoners - Update on Progress in Transport and Environment

Item no: 7a

Report by: Katharina Winbeck & Spencer Palmer **Job title:** Strategic Lead: Transport and Environment
Director, Transport and Mobility

Date: 8 December 2020

Contact Officer: Katharina Winbeck

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Summary: This paper provides an update on the transport and environment pledges agreed by Leaders' Committee as part of its wider Pledges to Londoners.

Recommendations: Leaders' Committee is asked to note and comment on this report.

Pledges to Londoners – Update on transport and environment

Introduction

1. Leaders transport and environment pledges to Londoners states that infrastructure investment is critical to ensure good growth without environmental damage or harm to health. The pledges cover improving air quality, working with TfL and transport infrastructure delivery and devolution of finances and powers.
2. Since the Pledges were agreed, the Covid-19 pandemic has had a significant, detrimental impact on London's economy, Londoners livelihoods, and has changed the way of life for people globally. This has led to a re-think of transport infrastructure – Londoners took to active travel modes during first lockdown for exercise and some essential journeys and nationally there has been an increase in cycling of 300 per cent in places compared to previous years. London's boroughs and TfL have responded to this trend and the social distancing requirements by implementing additional space for walking and cycling, particularly along local highstreets.
3. The following Pledges were adopted by Leaders in transport and environment:
 - Support the promotion of a new Clean Air Act and the introduction of ULEZ across much of London to protect Londoners from harmful polluted air.
 - Deliver at least 2500 charging points for electric vehicles by 2022, including the option for 20 rapid charge points in each borough.
 - Work towards including a target of one tree for every Londoner in our local plans.
 - Hold TfL to account for improving the bus route network in every London borough.
 - Lobby for improved certainty and levels of local road funding through TfL's LIP process.
 - Press for London borough representation on the TfL Board.
 - Create, cost and lobby for a programme of local transport infrastructure delivery; addressing enhanced connectivity, platform extensions and related responses to growing demand.

- Lobby for the delivery of major transport investment including CR2, HS2, Euston redevelopment, Bakerloo Line extension, West London Orbital and Tram network.
 - Work to agree new forms of London borough influence on the specification, management and award of rail franchises so that the borough voice is at the heart of commissioning; and argue for further devolution to London.
 - Lobby for fiscal devolution of transport taxes including a proportion of VED to help fund highway maintenance, and new fiscal levers to unlock home building.
4. Most of the Pledges are still relevant, although over the past 18 months boroughs and London Councils have had an increasing focus on climate change and since Covid-19 a green recovery. Given that we are expecting a significant global economic downturn, and with public finances under considerable strain, large infrastructure investment discussions have been put on hold and this will affect the delivery of the pledges.
 5. London Councils' business plan has been updated to reflect the impact of Covid-19 and the economic recovery work we will undertake but as much as possible, officers will continue to deliver the Pledges as well, where it is still prudent to do so.
 6. The delivery of these Pledges is overseen by the Executive member for Transport and Environment. They reflect shared pan-London priorities for Leaders, but the list does not reflect the entirety of London Councils work around the transport and environment policy area for this period. This report provides an update on progress since the last report to Leaders' Committee on work around the Pledges in May 2019.

Progress Update

Air quality

- i. Support the promotion of a new Clean Air Act and the introduction of ULEZ across much of London to protect Londoners from harmful polluted air.
- ii. Deliver at least 2500 charging points for electric vehicles by 2022, including the option for 20 rapid charge points in each borough.
- iii. Work towards including a target of one tree for every Londoner in our local plans.

7. The results from the annual public polling on Londoners attitudes to air quality, which were again launched as part of Clean Air Day this year, show that this remains a significant issue of concern to residents. 78 per cent of respondents agreed or strongly agreed that tackling air pollution is a priority for London. A significant shift from previous polling was that the majority of participants felt that air quality had improved over the past year and this was mainly due to reductions of car, van, bus and lorry journeys on the roads.
8. It has become clear, however that government is not considering a new Clean Air Act but is looking to improve air quality provision through its Environment Bill, which has recently resumed its journey through both houses. London Council officers have therefore focused on strengthening the air quality provisions within that bill, with collaboration from the boroughs through the air quality clusters and the GLA. We most recently submitted evidence to the Public Bill Committee and expect to see the Committee's final report in early December 2020. London Councils will continue to work with MPs and Peers to raise awareness of our position and during the following stages of the Bill.
9. London Councils also continues to work with the City of London Corporation on the Emission Reduction Bill, which was introduced by Lord Tope as a private members bill in early 2020 and asks for the powers that local authorities need to enforce more effectively against gas boilers for example.
10. Engagement with TfL on the introduction of the ULEZ will now be increased again after a pause due to the Covid-19 pandemic. We are also working with TfL colleagues to ascertain how the ULEZ and other schemes, such as the congestion charge zone, will assist TfL in getting to a more sustainable funding position.
11. London Councils has been working in partnership with TfL and the GLA to oversee the Go Ultra Low Cities Scheme (GULCS). The scheme was granted £13.2m funding to drive the uptake of ultra low emission vehicles, and this funding allocated to TfL and 28 London boroughs to deliver on-street residential charge points, car club charge points, rapid charge points, community charging hubs and neighbourhoods of the future programmes. To date, London boroughs have delivered 2,054 on-street residential charge points through the programme and are forecast to deliver an additional 1,500 charge points by spring 2021.

12. GULCS provided a contribution of £2.6m funding to TfL for the delivery of the rapid charge point programme. This programme has delivered 285 rapid charge points on both TfL and borough roads to date and is forecast to deliver a total of 300 charge points by early 2021.
13. In August 2020 London Councils coordinated a pan-London bid to OLEV requesting £2.1 million funding for the delivery of on-street residential chargepoints. £1.96m has been allocated for 11 boroughs to deliver more than 800 charge points by April 2021.
14. London Councils, the GLA and TfL have been working with The International Council on Clean Transportation (ICCT) on analysis of the EV charging infrastructure needed to fulfil London's electrification goals up until 2035. It builds on the work undertaken for the Electric Vehicle Infrastructure Delivery Plan (published in 2019) by looking at London's infrastructure needs at an individual borough level, broken down by charge point type, until 2035. The final report was published in November 2020 and will be a useful tool for planning future delivery and lobbying for further funding.
15. The government announced its Ten Point Plan for a Green Industrial Revolution for 250,000 jobs in November 2020. This included a commitment to £1.3bn funding to accelerate the rollout of chargepoints for electric vehicles in homes, streets and on motorways across England. London Councils asked central government for more funding towards charge point infrastructure in London, through a bid to the Treasury's 2020 Comprehensive Spending Review and await further detail on the funding available.
16. Following the release of the Green Spaces Commission report in August 2020, London Councils, the GLA, and Parks for London have established a partnership to implement the two recommendations of the report: (i) creating a Centre for Excellence for London's Parks and Green Spaces, and (ii) develop a future green skills programme. In addition the Resilient and Green London programme has been established as one of the seven climate change programmes set up following the Joint Statement by LEDNet and TEC in November 2019. These two workstreams provide an excellent opportunity to not only further the ambition of one tree per Londoner, but also create a broader scheme of funded work regarding

the improvement of public space in London that can boost local jobs, health, and wellbeing.

Working with TfL

- iv. Hold TfL to account for improving the bus route network in every London borough.
 - v. Lobby for improved certainty and levels of local road funding through TfL's LIP process.
 - vi. Press for London borough representation on the TfL Board.
17. Buses remain a significant form of transport for many Londoners to get around the city efficiently and cost effectively. Buses also play a significant role in reducing the temptation of a car-based recovery from the pandemic, so it has been very important that TfL kept its bus routes running at comparative pre-Covid levels. Prior to Covid-19, London Councils engaged extensively with TfL on its bus reviews and asked for a more strategic analysis and approach for this. This stopped during the height of the pandemic and instead we focused on ensuring that borough voices were heard when looking at bus service provision during the lockdown as well as when school services were introduced in September. This has anecdotally resulted in an increase of bilateral discussions between borough officers, members and TfL officers.
18. One of the significant impacts of the pandemic on transport policy has been the devastation of TfL's funding base. The sustained reduction of passenger numbers, supported by government policy around essential travel and social distancing, has meant that TfL required significant government grant to keep up its level of service. Although passenger numbers are slowly increasing, it is still less than half that of pre-pandemic levels and the resulting loss of income revenue requires a complete re-think of TfL finances.
19. London Councils has strong structures for engagement with TfL in place and officers and members have used these to ensure that borough funding features in any deal reached with government. This has been successful, and boroughs have recently received a letter stating their allocation for the second half of the government bail out deal. These are still unprecedented times and unfortunately due to the short-term nature of the first and second funding agreement, getting

greater certainty for boroughs has been very difficult. TfL, however, is now increasingly aware of the requirement of funding certainty and attempted in its 2019 business plan to give boroughs a five year certainty of funding, which was as a direct result of London Councils interventions.

20. Gaining a place for a London local authority representative on TfL's board has been a priority for London Councils' Transport and Environment Committee (TEC) for several years and in the summer of 2019, following the lobbying by officers and lead Members, the GLA agreed to consider this matter as part of their external review of TfL's Board effectiveness. The proposal to create a new board position for a London Councils candidate was subsequently agreed by the TfL Board at its meeting on 20th November 2019. The TfL Board agreed that the appointment would initially be until September 2022.
21. After cross party discussions and agreement to a London Councils' candidate selection process, it was agreed that Councillor Julian Bell, Leader of London Borough of Ealing, would be proposed by London Councils for appointment by the Mayor to the TfL Board. Cllr Bell was duly appointed by the Mayor to the TfL Board in February 2020.

Transport infrastructure delivery and devolution

- vii. Create, cost and lobby for a programme of local transport infrastructure delivery; addressing enhanced connectivity, platform extensions and related responses to growing demand.
 - viii. Lobby for the delivery of major transport investment including CR2, HS2, Euston redevelopment, Bakerloo Line extension, West London Orbital and Tram network.
 - ix. Work to agree new forms of London borough influence on the specification, management and award of rail franchises so that the borough voice is at the heart of commissioning; and argue for further devolution to London.
 - x. Lobby for fiscal devolution of transport taxes including a proportion of VED to help fund highway maintenance, and new fiscal levers to unlock home building.
22. During the emergency COVID-19 period, London Councils has been facilitating the delivery of TfL's London Streetspace programme, as well as low traffic

neighbourhoods, school streets and additional cycle lanes. As London moves forward into recovery, this work will be integrated into the work of the climate change programmes, specifically low-carbon development and halving petrol and diesel road journeys as achieving the aims of those programmes will require support for sustainable transport alternatives.

23. Advocacy efforts have been on hold during this emergency period, with efforts being focused on immediate support. Following the agreement of a £1.8bn bailout package for TfL, the future of transportation in London remains very uncertain. As part of the agreement any further work on Crossrail 2 has been shelved, and it is unclear what further support maybe needed at the end of this new six month period, and what conditions maybe attached to any further injection of funds by the government.
24. With the long-term impact of passenger demand due to changes in modes of working caused by COVID-19 still being uncertain, London's long-term transport infrastructure needs may change during the coming years. As the UK moves into recovery, we will continue to advocate for investment in sustainable transport for Londoners, but will monitor the situation and advise on changing transportation needs.
25. The forthcoming White Paper on managing the railways, based on the Williams review carried out in 2018/19 will present a useful opportunity to influence government on the issue of railway services and how they are run. The timing of this is not yet clear, but it is London Councils intention to engage in this process from the start and influence the outcome. London Councils has supported further calls for rail devolution to the Mayor in 2019.
26. London Councils' officers continue to lobby the government for fiscal devolution to fund highway maintenance works in the capital. We have worked with boroughs and the London Technical Advisers Group (LoTAG) in developing a joint lobbying campaign to increase highways funding for London boroughs. We also plan to support LoTAG in publishing the fourth annual State of the City Report in 2021 highlighting the deteriorating state of London's highway assets due to the reduction of funding available for this area of spend and the impact of Covid-19.

Next Steps

27. London Councils officers and Executive members will continue to work on supporting the implementation of the pledges as outlined in this report and will keep Leaders updated on a regular basis.

Recommendations: Leaders' Committee is asked to note and comment on this report

Financial implications for London Councils

None

Legal implications for London Councils

None

Equalities implications for London Councils

None

Leaders' Committee

London Councils Grants Scheme - Budget Proposals 2021/22

Item no: 8

Report by: Frank Smith **Job title:** Director of Corporate Resources
Date: 8 December 2020
Contact Officer: Frank Smith
Telephone: 020 7934 9700 **Email:** Frank.smith@londoncouncils.gov.uk

Summary This report considers the proposed budget for the London Boroughs Grants Scheme for 2021/22 and makes a recommendation to the Committee on the appropriate level to recommend to constituent councils for approval. These proposals were considered by the Grants Committee at its meeting on 11 November. The Grants Committee agreed to recommend that the Leaders' Committee approve these proposals.

Recommendations The Leaders' Committee is asked to agree:

- an overall level of expenditure of £6.668 million for the Grants Scheme in 2021/22;
- borough contributions for 2021/22 to fully cover the scheme should 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 2021 they shall be deemed to have approved expenditure of an amount equal to the amount approved for the preceding financial year (i.e. £6.668 million);
- that constituent councils be advised that the apportionment of contributions for 2021/22 will be based on the ONS mid-year population estimates for June 2019;
- that subject to the approval of an overall level of expenditure, the Committee agrees to set aside a provision of £435,000 for costs incurred by London Councils in providing staff and other support services to ensure delivery of the Committee's "making of grants" responsibilities; and
- agree that a 'response' fund, funded through reserves, is used

flexibly to support aspects of transition and recovery as proposed by the Grants Committee at its 11 November meeting. If agreed the Grants Executive will consider the detail of the response fund at its February 2021 meeting.

London Councils Grants Scheme - Budget Proposals 2021/22

Introduction

1. This report details the indicative overall budget requirement for the London Boroughs Grants Scheme for 2021/22 of £6.668 million, the same as the current year, comprising the cost of borough pan-London commissioned services of £6.668 million, covering priorities 1 and 2 plus the cost of administering the scheme, equating to £435,000 or 6.5% (4.0% excluding central recharges of £169,000) of the proposed programme. This sum includes of the membership subscriptions for boroughs for London Funders of £60,000;
2. The proposed total expenditure budget of £6.668 million will be fully funded by borough contributions of £6.668 million.
3. These proposals were considered by the Grants Committee at its meeting on 11 November. The Grants Committee agreed to recommend that the Leaders' Committee approve these proposals. The Leaders' Committee will need to reach a view on both the appropriate overall level of expenditure and to recommend the budget to constituent Councils.
4. The financial year 2021/22 represents the final year of the extended five-year programme of commissions provided by the Grants Committee under S.48 of the Local Government Act 1985, as recommended by the Grants Committee and approved by the Leaders' Committee in March 2016. Consultation will shortly commence on the priorities for the new grants programme covering the four years 2022 to 2026.

Approval of Expenditure

5. The statutory basis of the Grants Scheme is Section 48, Local Government Act 1985. Constituent councils agreed to some changes to the operation of the Scheme as part of the establishment of the new ALG on 1 April 2000: these changes mean that the budget for the London Councils Grants Scheme must be approved by the London Councils Leaders' Committee. This will need to happen before any budget that is recommended to constituent councils by the Grants Committee can be formally referred to them as a basis for consideration in their respective councils.
6. The budget proposals contained in this report were considered by the Grants Committee at its meeting on 13 November and the recommendations of the Grants Committee are reflected in this report. If Leaders do not accept the recommendations of the Grants Committee, and instead agree to recommend a different budget figure to Boroughs, the Grants Committee will need to meet urgently to consider the implications for the Grants Programme.
7. Section 48(3) of the Local Government Act 1985 requires that at least two-thirds of the constituent councils in Greater London must approve the proposed overall level of expenditure on grants to voluntary organisations and other costs incurred in "the making of grants". This is not a decision that can be delegated to the Grants Committee although that Committee is able to make decisions with regard to allocation of that expenditure once overall expenditure has been approved. This means that when the Committee decides on an overall level of expenditure, subject to the agreement of the Leaders' Committee, it will recommend it to the London Boroughs and the Cities of London and Westminster and at least 22 of them must agree through their respective decision-making arrangements to ratify and give effect to that overall level of expenditure. Once 22 councils have given their approval, the overall level of expenditure and contributions to it are binding on all constituent councils.

Timing of Decisions

8. The Committee needs to make its recommendation in good time so that constituent councils are able to consider the budget proposal within their own decision-making arrangements and make a response within the timescales laid down for the Scheme. The Scheme approved by the boroughs provides that constituent councils shall be asked to agree to the Committee's recommended level of overall expenditure not later than the third Friday in January, in this case 15 January 2021. All constituent councils will have received copies of this report and will be informed of the Committee's recommendation as to overall expenditure for next year, once the decision has been taken.
9. The City of London Corporation has been the Designated Council for the Scheme since 1 February 2004. Bearing in mind the issues raised above, it is essential for the Committee make a recommendation today, to provide sufficient time for constituent councils to consider the matter before the 1 February deadline, and enable the City of London Corporation to approve the levy on constituent councils by the deadline of 15 February 2021.
10. In the event that constituent councils are unable to reach agreement by the two-thirds majority required on an overall level of expenditure before 1 February 2021 the Secretary of State for Housing, Communities and Local Government has powers to intervene and set the budget at the same level as the preceding year. Section 105 of the Local Government Finance Act 1992 inserted a new sub-section (4A) into section 48 of the Local Government Act 1985 which states that:

"4A. The Secretary of State may by order provide that if -

- *a scheme requires the total expenditure to be incurred under the scheme in any financial year _*
 - *in the making of grants; and*
 - *in the discharging by the designated council of its functions under the scheme, to be approved in accordance with the scheme by some or all of the constituent councils; and*

- *the total expenditure to be incurred in any financial year is not approved as required by the scheme before such date as may be specified in relation to that financial year in the order, the constituent councils shall be deemed, subject to any order which has been or may be made under subsection (5) below, all to have given their approval for that financial year to total expenditure of an amount equal to the amount that was approved or, as the case may be, deemed to have been approved for the preceding financial year".*

Contributions by constituent councils

11. Section 48(3) of the 1985 Act provides that the amount of contributions to the London Councils Grants Scheme shall be determined so that expenditure is borne by constituent councils in proportion to the population of their respective areas. Section 48(4) of the 1985 Act states that the population of any area shall be the number estimated by the Registrar-General and certified by him to the Secretary of State.

12. Under The Levying Bodies (General) Regulations 1992, arrangements made under section 48 of the 1985 Act (and also section 88) use total resident population as the means of apportionment and it is no longer necessary for the Registrar General to certify the estimates. The Regulations came into force on 11 December 1992. Regulation 6(8) is of particular importance, stating that:

"A levying body shall secure that the expenses to be met by levies issued by it under these Regulations by reference to the relevant precepting power conferred by section 48 or 88 of the Local Government Act 1985 are borne by the relevant authorities in a proportion calculated by reference to the total resident population of the area of each relevant authority on 30th June in the financial year beginning two years before the beginning of the financial year in respect of which the levy is issued, as estimated by the Registrar General."

13. The Designated Council is defined as a levying body further to Sections 74 and 117 of the Local Government Finance Act 1988, which means that the levy will have to be approved formally at a meeting of the Court of Common Council of the Designated Council before the payment requests are sent to constituent councils. The Court of Common Council will consider this matter before the deadline of 15 February 2021. The Levying Bodies (General) Regulations 1992 then require the approved levy to be sent out to constituent councils by 15 February in any year. The term levy refers both to the total contributions from constituent councils and to the apportionment of that total between them.

Summary Timetable

14. To summarise, the timetable for the approval of the budget for 2021/22 is expected to be as follows:

Date	Action
11 November 2020	Grants Committee considered proposed budget and borough contributions for 2021/22 detailed in this report and made recommendations to Constituent Councils, subject to approval of Leaders' Committee.
8 December 2020	This Committee is asked to approve the level of budget and borough contributions for 2021/22, as recommended by the Grants Committee on 11 November.
9-11 December 2020	Constituent Councils formally notified of the approved level of budget and borough contributions for 2021/22.
11 December 2020 – 31 January 2021	Constituent Councils to individually ratify the overall level of expenditure for 2021/22 through their respective decision-making arrangements.
1-15 February 2021	The City of London Corporation, as the Designated Councils for the Grants Scheme, approves the levy for 2021/22 on Constituent Councils.
15 February 2021	Constituent Councils informed of level of approved expenditure and borough contributions for 2021/22.

Budget Proposal for 2021/22

15. Appendix A to this report sets out detailed information relating to the proposed budget for 2021/22. The budget assumes:

- A core, pan-London scheme of services to meet agreed service priorities 1 and 2 of £6.233 million, which includes the membership subscriptions for boroughs for London Funders of £60,000;

- In addition to the indicative gross grant payments budget of £6.233 million, the proposal includes a provision for grants administration of £435,000 which amounts to 6.5% (4% excluding central recharges) of the boroughs grants budget of £6.668 million.

Administration of Commissions

16. The staffing costs figures within the proposed 2021/22 budget options reflects direct staffing costs delivery the S.48 Priority 1 and 2 programme, together with the apportionment of time spent on Grants Committee activities by other London Councils staff, such as Grants Committee servicing and Public Affairs. The staffing budget also includes a £10,000 provision for maternity cover and the vacancy level of 2%.
17. In addition, an apportionment of time spent by Corporate Resources, Corporate Governance other than Committee Servicing, the Chief Executive's office, and London Councils Political Advisors are included in the central recharges figure for supporting the Committee's functions, as well as a notional rental figure for office space occupied at Southwark Street.
18. All estimates of administration expenditure levels have previously been based upon a threshold of 5% of the budget for payments to commissions in respect of the borough funded S.48 scheme, as agreed by Grants Committee in the review of non-grants expenditure levels conducted in early 2009. However, with recent cost pressures, it continues to be challenging to contain all administrative costs within the 5% envelope, especially after the introduction of the new monitoring arrangements in April 2013 and the increase in central costs following the review of the recharge model during 2013/14 following an objection to London Councils accounts. Administrative expenditure for the S.48 commissions, therefore, now equate to 6.5% (or 4.0% excluding central recharges) of the boroughs S.48 budget of £6.668 million, amounting to £435,000 in total for 2021/22.

Use of Reserves

19. Table 1 below updates the Committee on the revised estimated level of balances as at 31 March 2021, if all current known liabilities and commitments are considered, plus the projected underspend of £31,000 for 2020/21:

Table 1 – Estimated Uncommitted Reserves as at 31 March 2021

	Borough	ESF/NRPF	Total
	£000	£000	£000
Audited reserves as at 1 April 2020	820	1,074	1,894
Approved for use in 2020/21	-	(960)	(960)
Projected surplus/(deficit) for the year	31	-	31
Projected reserves as at 31 March 2020	851	114	965

20. At its meeting in September 2013, the Grants Executive agreed that it would be appropriate to retain a minimum level of reserves equating to 3.75% of the S.48 borough programme. Based on a proposed borough programme of £6.668 million, this equates to £250,000 for 2021/22. If the recommendations contained in this report are approved by this committee, the revised projected position on reserves is detailed in Table 2 below:

Table 2 – Estimated Uncommitted Reserves as at 1 April 2021

	Borough	ESF/NRPF	Total
	£000	£000	£000
Projected reserves as at 31 March 2021	851	114	965
Commitments in 2021/22	-	-	-
Projected reserves as at 1 April 2021	851	114	965
Indicative total expenditure 2020/21	6,668	-	6,668
Forecast reserves as a % of indicative expenditure	12.76	-	14.47

21. The projected residual level of S.48 reserves is £851,000, or 12.76% of the £6.668 million S.48 programme. In addition, residual S.48 ESF/NRPF reserves of £114,000 remain and will be subsumed into the Borough S.48 reserves. This raises the level of reserves to £965,000, or 14.47%, which is in excess of the 3.75% benchmark.

Borough Contributions

22. Paragraphs 11 to 13 of this report set out the legal position relating to contributions payable by constituent councils to the London Councils Grants Scheme. Contributions for 2021/22 have been calculated using the ONS mid-year population estimates for June 2019 and are set out in Appendix B.

Summary

23. This report considers the proposed budget for the Grants Scheme for 2021/22 and makes a recommendation to the Committee on the appropriate level to recommend to constituent councils for approval, following recommendation made by the Grants Committee at its meeting on 11 November. Specifically, the report proposes to continue with an overall level of expenditure in 2021/22 of £6.668 million, which requires borough contributions of £6.668 million (refer to Appendix B), the same level of contribution as for the current year.
24. The financial year 2021/22 represents the final year of the extended five-year programme of commissions provided by the Grants Committee under S.48 of the Local Government Act 1985, as recommended by the Grants Committee and approved by the Leaders' Committee in March 2016.

Recommendations

25. The Leaders Committee is asked to agree:
- an overall level of expenditure of £6.668 million for the Grants Scheme in 2021/22;
 - borough contributions for 2021/22 should be £6.668 million to fully cover the cost of the scheme;
 - 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 2020 they shall be deemed to have approved expenditure of an amount equal to the amount approved for the preceding financial year (i.e. £6.668 million);
 - that constituent councils be advised that the apportionment of contributions for 2021/22 will be based on the ONS mid-year population estimates for June 2019;
 - that subject to the approval of an overall level of expenditure, the Committee agrees to set aside a provision of £435,000 for costs incurred by London Councils in providing staff and other support services to ensure delivery of the Committee's "making of grants" responsibilities; and

- agree that a 'response' fund, funded through reserves, is used flexibly to support aspects of transition and recovery as proposed by the Grants Committee at its 11 November meeting. If agreed the Grants Executive will consider the detail of the response fund at its February 2021 meeting.

Appendices

Appendix A – Proposed revenue income and expenditure budget 2021/22;

Appendix B – Proposed borough subscriptions 2021/22;

Background Papers

Grants Committee Budget Working Papers 2020/21 and 2021/22;

Grants Committee Final Accounts Working Papers 2019/20;

Grants Committee Revenue Budget Forecast Working Papers 2020/21; and

London Councils Consolidated Budget Working Papers 2020/21 and 2021/22.

Grants Committee Income and Expenditure Budget 2021/22

Expenditure	Revised Budget 2020/21 £000	Developments £000	Inflation £000	Original Budget 2021/22 £000
Payments in respect of Grants				
London Councils Grants Programme	6,173	0	0	6,173
Membership Fees to London Funders (for all boroughs)	60	0	0	60
European Social Fund Co-Financing	0	0	0	0
Sub-Total	6,233	0	0	6,233
Operating (Non-Grants) Expenditure				
Contractual Commitments				
Maintenance of GIFTS Grants IT system	10	0	0	10
	10	0	0	10
Salary Commitments				
Officers	228	-16	6	218
Members	19	0	0	19
Maternity provision	10	0	0	10
	257	-16	6	247
Discretionary Expenditure				
Staff training/recruitment advertising	7	0	0	7
Staff travel	2	0	0	2
	9	0	0	9
Total Operating Expenditure	276	-16	6	266
Central Recharges	159	0	10	169
Total Expenditure	6,668	-16	16	6,668
Income				
Core borough subscriptions				
Contribution to grant payments	6,173	0	0	6,173
Contribution to non-grants expenditure	495	0	0	495
	6,668	0	0	6,668
Transfer from Reserves	0	0	0	0
Central Recharges	0	0	0	0
Total Income	6,668	0	0	6,668
Net Expenditure	0	16	-16	0

Borough Subscriptions 2021/22

ONS Mid-2018 Estimate of Population ('000)	%	2020/21 Base Borough Contribution (£)		ONS Mid-2019 Estimate of Population ('000)	%	2021/22 Base Borough Contribution (£)	Base Difference from 2020/21 (£)
262.23	2.94%	196,291	Inner London Camden City of London Greenwich Hackney Hammersmith and Fulham Islington Kensington and Chelsea Lambeth Lewisham Southwark Tower Hamlets Wandsworth Westminster	270.03	3.01%	200,915	4,623
8.71	0.10%	6,520		9.72	0.11%	7,233	713
286.19	3.21%	214,227		287.94	3.21%	214,243	16
279.67	3.14%	209,346		281.12	3.14%	209,167	-179
185.43	2.08%	138,803		185.14	2.07%	137,755	-1,048
239.14	2.68%	179,007		242.47	2.71%	180,407	1,400
156.20	1.75%	116,923		156.13	1.74%	116,168	-756
325.92	3.66%	243,966		326.03	3.64%	242,585	-1,381
303.54	3.41%	227,214		305.84	3.41%	227,561	347
317.26	3.56%	237,484		318.83	3.56%	237,225	-259
317.71	3.57%	237,821		324.75	3.62%	241,626	3,805
326.47	3.66%	244,378		329.68	3.68%	245,296	918
255.32	2.87%	191,119		261.32	2.92%	194,432	3,313
3,263.79	36.64%	2,443,099		3,299.00	36.81%	2,454,612	11,513
212.00	2.38%	158,692	Outer London Barking and Dagenham Barnet Bexley Brent Bromley Croydon Ealing Enfield Haringey Harrow Havering Hillingdon Hounslow Kingston upon Thames Merton Newham Redbridge Richmond upon Thames Sutton Waltham Forest	212.91	2.38%	158,412	-280
392.14	4.40%	293,535		395.87	4.42%	294,546	1,010
247.26	2.78%	185,086		248.29	2.77%	184,738	-348
330.80	3.71%	247,619		329.77	3.68%	245,366	-2,254
331.10	3.72%	247,844		332.34	3.71%	247,274	-570
385.35	4.33%	288,453		386.71	4.32%	287,731	-722
341.98	3.84%	255,988		341.81	3.81%	254,320	-1,668
333.87	3.75%	249,917		333.79	3.72%	248,359	-1,558
270.62	3.04%	202,572		268.65	3.00%	199,886	-2,685
250.15	2.81%	187,249		251.16	2.80%	186,875	-374
257.81	2.89%	192,983		259.55	2.90%	193,119	136
304.82	3.42%	228,172		306.87	3.42%	228,326	154
270.78	3.04%	202,691		271.52	3.03%	202,026	-665
175.47	1.97%	131,348		177.51	1.98%	132,074	726
206.19	2.31%	154,343		206.55	2.30%	153,682	-661
352.01	3.95%	263,496		353.13	3.94%	262,749	-747
303.86	3.41%	227,453		305.22	3.41%	227,100	-354
196.90	2.21%	147,389		198.02	2.21%	147,336	-53
204.53	2.30%	153,100		206.35	2.30%	153,534	433
276.70	3.11%	207,123		276.98	3.09%	206,089	-1,034
5,644.34	63.36%	4,225,053		5,662.99	63.19%	4,213,540	-11,513
8,908.13	100.00%	6,668,152	Totals	8,961.99	100.00%	6,668,152	0

6,668,152

6,668,152

Leaders' Committee

Proposed Revenue Budget and Borough Subscriptions and Charges 2021/22

Item no: 9

Report by: Frank Smith

Job title: Director of Corporate Resources

Date: 8 December 2020

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Summary

This report proposes the level of boroughs subscriptions and charges to be levied in 2021/22, together with the consolidated revenue income and expenditure budget for 2021/22. The report also updates the Leaders' Committee on the current level of London Councils reserves after considering all current and proposed commitments and the timetable for the overall budget approval process. These proposals were considered by London Councils Executive at its meeting on 10 November and this package was agreed for submission to this Committee for final consideration and approval.

Recommendations

The Leaders' Committee is asked to approve the following borough subscription and charges:

- The proposed Joint Committee subscription for boroughs of £161,958 per borough for 2021/22, no change on the charge of £161,958 for 2020/21 (paragraph 14);
- The proposed Joint Committee subscription for MOPAC of £15,410 for 2021/22, no change on the charge of £15,410 for 2020/21 (paragraph 15);
- An overall level of expenditure of £6.668 million for the Grants Scheme in 2021/22, no change from 2020/21; and
- Borough contributions for 2021/22 to fully cover the scheme of £6.668 million, the same level as for 2020/21 (paragraphs 16-18).

The Leaders' Committee is also asked to endorse the following subscription and charges for 2021/22 for TEC, which were be considered by the TEC Executive Sub-Committee on 19 November, and which will be presented to the main meeting of TEC on 10 December for final approval:

- The Parking Core Administration Charge of £1,500 per borough and for TfL (2020/21 - £1,500) (paragraph 19);
- No charge to boroughs in respect of the Freedom Pass Administration Charge, which is covered by replacement Freedom Pass income (2020/21 – no charge) (paragraph 21);
- The net Taxicard Administration Charge to boroughs of £338,000 in total (2019/20 - £338,000); (paragraph 22);
- No charge to boroughs and TfL in respect of the Lorry Control Administration Charge, which is fully covered by estimated PCN income (2020/21 – no charge) (paragraph 23);
- The Parking Enforcement Service Charge of £0.3596 per PCN, which will be distributed to boroughs and TfL in accordance with the number of PCNs issued in 2019/20 (2020/21 - £0.3708 per PCN; paragraphs 26-27);
- The Parking and Traffic Appeals Charge of £27.84 per appeal or £24.06 per appeal where electronic evidence is provided by the enforcing authority (2020/21 - £27.35/£23.63 per appeal). For hearing Statutory Declarations, a charge of £22.15 for hard copy submissions and £21.40 for electronic submissions (2020/21 - £21.78/£21.04 per SD) (paragraphs 28-29);
- Congestion Charging Appeals including the ULEZ scheme – to be recovered on a full cost recovery basis, as for 2020/21, under the current contract arrangement with the GLA (paragraph 30);
- The TRACE (Electronic) Charge of £7.53 per transaction (2020/21 - £7.53) (paragraphs 31-33);
- The TRACE (Fax/Email) Charge of £7.70 per transaction, which is levied in addition to the electronic charge of £7.53 per transaction, making a total of £15.23 (2020/21 - £15.23) (paragraphs 31-33); and
- The TEC Charge of £0.175 per transaction (2020/21 - £0.175) (paragraphs 31-33).

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

- The provisional consolidated revenue expenditure budget for 2021/22 for London Councils of £341.317 million, as per Table 4 at paragraph 34 and Appendix A of this report;

- The provisional consolidated revenue income budget for 2021/22 for London Councils of £339.787 million, also as per Table 4 at paragraph 34 and Appendix B;
- Within the total income requirement, the use of London Councils reserves of £1.530 million in 2021/22, as detailed in paragraph 53.

The Leaders' Committee is also asked to note:

- The position in respect of forecast uncommitted London Councils reserves as at 31 March 2021, as detailed at paragraphs 51-59; and
 - The positive statement on the adequacy of the residual London Councils reserves issued by the Director of Corporate Resources, as detailed in paragraphs 58-59.
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Introduction

1. This paper outlines the background and context to setting the London Councils budget for 2021/22 and sets out a proposed approach. It reflects the impact of several budgetary pressures that will impact on 2021/22, which are highlighted in detail at paragraph 6.
2. The on-going national COVID crisis is significantly impacting the finances of all London Councils member boroughs. The crisis is having a less dramatic impact on London Councils finances, although effects will be felt in both the current financial year and into 2021/22. Forecasts for the current year (2020/21) indicate that whilst overall levels of London Councils expenditure are being managed within the overall approved budgetary provision, certain income targets are unlikely to be met for both the Joint Committee and the Transport and Environment Committee. The Month 6 forecast position, reported to the Executive at its meeting on the 10 November, was a small overall surplus of £325,000 and highlighted the specific areas of concern.
3. In line with previous guidance from the Executive, much of the work to develop the Southwark Street building into a more agile and contemporary working environment has been completed, although a final phase of approved wider building improvements has been delayed by the pandemic. This strategy was also to allow the freeing up of more space for sub-letting out to other parties in order to secure an additional income stream. Clearly, COVID has delayed the ability to attract other parties. The Executive has indicated that it will wish to review this position further in the early part of 2021.
4. In terms of budget strategy, the delays highlighted above have impacted on previously agreed plans to seek/attract new income paying tenants to Southwark Street to occupy significant office space released on both the ground and 4th floors through the extension of agile working. This rental income was projected to accrue an estimated £250k in the current year (2020/21), rising to £550k by 2023/24, which would progressively reduce the annual amounts requiring transfer from uncommitted Joint Committee reserves to balance the Joint Committee budget over this period. This strategy would also allow borough subscriptions to be held at the current level. During the COVID period, no additional tenants have been sourced beyond those already in place.
5. In addition, the normal annual income of approximately £100k achieved from the commercial hire of meeting rooms has not been realised owing to various COVID

restrictions and may be further compromised in 2021/22. This income does not include the wide use of meeting room facilities by those in the London local government family, as that usage is free of charge as part of membership of London Councils.

Budgetary pressures

6. Amongst the backdrop of the current unprecedented circumstances, traditional budget pressures prevail to increase future expenditure levels. Specifically, these include:

- A necessary increase to the 2021/22 base budget to cover a deficit arising from the increased employers pension contribution of 1.6%, effective from 1 April 2020, and the additional 0.75% agreed pay award for 2020/21 (2% provided in budget, 2.75% settled). This in-year budget deficit equates to approximately £166,000 across all committees' salary budgets.
- A further estimated 2% increase in pay and price movements for 2021/22.
- The ending of, and funding for, certain functions during 2020/21 such as the borough ESF programme and Capital Ambition activities reduces the base for allocating centrally incurred costs, with these costs now needing to be reallocated across all services, leading to a net loss of central recharge income to the Joint Committee.
- Slippage and increased costs in respect of the wider building works will mean that the increased depreciation charge relating to the capital spend will be spread over a reduced time-period up until the expiry of the current lease in March 2026.

Summary Budget Outlook

7. For the current year, the Leaders' Committee and TEC approved the total use of uncommitted general reserves of £979k (£400k and £579k respectively) to balance the budget. In addition, TEC subsequently approved the transfer of resources from its special projects specific reserve to fund the climate change/EV/car club policy work in 2020/21, which is estimated to amount to £160k. These decisions were taken, however, against the pre-COVID backdrop of a budget strategy that envisaged the more effective use of the Southwark Street building, which, as referenced in paragraph 4, was intended to reduce the take from uncommitted Joint Committee reserves in the period up until 2023/24 and move towards delivering a balanced budget, with the only on-going commitment from

Joint Committee reserves being the annual sum of £100,000 earmarked by members to support collaborative work on the health agenda.

8. London Councils has, of course, made significant savings since 2011/12. If the proposals outlined in this report are agreed by the Leaders' Committee, these savings will amount to £65.4 million, with a further £183.7 million of savings related to payments to commissions made by the Grants Committee. Overall savings through this period equate to £7.5 million per borough. In addition, London Councils has contained all inflationary pressures since 2011 within existing subscription levels, including absorbing 12.5% of total salary costs as a result of pay awards since that time.
9. This report, therefore, proposes the level of borough subscriptions and charges to be levied in 2021/22, together with the indicative consolidated revenue income and expenditure budget for 2021/22. The proposals include:
 - A Joint Committee core subscription of £161,958 per borough, the same level as for 2020/21;
 - A TEC parking core administration charge of £1,500 per borough, the same level as for 2020/21;
 - Total S.48 grants administration costs of £435,000, equating to an average cost of £13,182 per borough, the same level as for 2020/21;
 - An increase in the level of the proposed transfer from uncommitted TEC reserves of £346,000. The total sum proposed to be transferred is a maximum of £925,000 compared to £579,000 for the current year.
 - An increase in the level of the proposed transfer from uncommitted Joint Committee reserves of £205,000. The total sum proposed to be transferred is a maximum of £605,000 compared to £400,000 for the current year.
10. The timetable for the approval of the budget for 2021/22 following this meeting is as follows:
 - 10 November – The London Councils Executive considered the proposals as outlined in this report and agreed to recommend the proposals to this Committee for final consideration and approval;
 - 11 November – Grants Committee considered and agreed the indicative grants budget and borough contributions for 2021/22, and recommended that the Leaders' Committee approve these proposals at this meeting in a separate report on this agenda;

- 19 November - TEC Executive Sub-Committee considered the indicative budget and borough charges for 2021/22 and make recommendations to the main TEC Committee meeting on 10 December for approval;
- 8 December - Leaders' Committee considers this report on the indicative consolidated budget and borough charges for 2021/22, and a separate report seeking approval of the grants budget and borough contributions for 2021/22. This report includes the indicative budget and borough charges for TEC which the Leaders' Committee is asked to endorse; and
- 10 December – main TEC Committee – considers recommendations of TEC Executive Sub-Committee and any views arising from the Leaders' Committee and approves final budget and charges for 2021/22. The views of the Leaders' Committee will be reported orally to the main TEC meeting.

Current position on core subscriptions and other charges

11. Members are reminded that since 2010/11 (covering the ten period between 2011/12 and 2021/22):
 - The Joint Committee core subscription has been reduced by £96,005 or 37%;
 - The TEC core parking subscription has been reduced by £500 or 25%;
 - Payments for commissioned services funded by the Grants Committee have reduced from an annual average of £754,545 per borough to £188,879, an annual average reduction of £565,667 per borough or 75%;
 - Payments for the administration of commissioned services have reduced from an average of £43,333 per borough to an average of £13,182, an average reduction of £30,152 per borough or 69.6%; and
 - The three main TEC administrations charges for direct services – Freedom Pass, Taxicard and Lorry Control, have reduced by between 5% and 100%.
12. A further sum of £8.7 million has been repaid to member boroughs from uncommitted reserves over the period 2011/12 to 2020/21. The total accumulated benefit to boroughs, therefore, arising from the reduction in the main borough subscriptions and from charges for direct service charges since 2010/11, plus one-off repayments to date, equates to £59.8 million, with an additional overall reduction of £165 million that relates to payments to commissions funded by the Grants Committee. The total accrued benefit to boroughs is, therefore, £224.8 million, an average of £6.8 million per borough. In addition, staffing numbers have reduced by 39% over this period.

Proposed borough subscriptions and charges

13. The following paragraphs detail the proposed borough subscriptions and charges for 2021/22.

Joint Committee Core Subscription

14. As detailed in the first bullet point of paragraph 9 above, the proposed amount to be levied on member boroughs in respect of the JC core and associated functions in 2021/22 is £161,958, the same level as for 2020/21. This includes a sum of £5,455 per borough as a contribution towards the continued funding of the YPES.

15. In line with the overall standstill position, it is proposed that the 2021/22 Joint Committee subscription for MOPAC be £15,410, the same level as for the current year.

Commissioned services funded by the Grants Committee 2021/22

16. The overall budget for commissioned services for the current year, as agreed by the Leaders' Committee in December 2019, is £6.668 million. At its meeting on 11 November 2020, the Grants Committee agreed to a S.48 borough funded grants programme of £6.668 million for 2021/22, which is the final year of the extended five-year programme of commissioned services agreed by the Leaders' Committee in March 2016, following recommendations by the Grants Committee.

17. Following consideration by the Grants Committee at its meeting on 11 November, the Leaders' Committee is, therefore, asked to approve the budget for the Grants Committee for 2021/22 as shown in the Table 1 below:

Table 1 – Indicative Grants Budget 2021/22

	2021/22 Indicative £000	2020/21 Budget £000	Variance £000
LC S.48 grants programme	6,233	6,233	-
Sub-Total	6,233	6,233	-
Grants Administration – LC S.48	435	435	-
Total expenditure	6,668	6,668	-
Financed by:			
Borough contributions to grant payment	(6,173)	(6,173)	-

Borough contributions to grants administration	(495)	(495)	-
Total borough contributions	(6,668)	(6,668)	-
Total Income	(6,668)	(6,668)	-
Transfer from Reserves	-	-	-
Net expenditure	-	-	-

18. The key features of the proposed budget in Table 1 are:

- A core, pan-London scheme of commissioned services to meet service priorities agreed by the Grants Committee of £6.233 million, which includes the membership subscriptions for boroughs for London Funders of £60,000;
- An indicative gross commissions payments budget, therefore, of £6.233 million;
- A provision for grants administration of £435,000 or 6.5% (4.0% excluding central recharges of £169,000) for the S.48 borough programme of £6.668 million, reflecting the actual cost of the current contract management and monitoring arrangements for commissions; and
- A total borough contribution of £6.668 million which will be apportioned in accordance with the ONS 2019 mid-year population data.

TEC Core Parking Subscription

19. This subscription is currently £1,500 per borough and there is little scope to reduce this minimal charge to boroughs, so, as agreed by the Leaders' Committee in November 2010, efforts continue to be concentrated on further efficiencies in the overhead cost for TEC direct services and systems charges, which are explored below.

TEC Direct Services

20. TEC currently provides three direct services on behalf of boroughs, one of which is also provided to TfL, which are recouped by an annual administration fee – the Freedom Pass, Taxicard and the London Lorry Control Scheme (LLCS). In overall terms, a sum of £338,000 needs to be recouped from boroughs in 2021/22, the same as for the current year. The proposed level of charge for each direct service, compared to those for the current year are detailed in Table 2 below:

Table 2 – Proposed TEC Direct Services Administration Charge 2021/22

Charge	Basis	2021/22 (£)	2020/21 (£)	Variance (£)	%
Freedom Pass	Per borough	Nil	Nil	-	-
Taxicard	Total	338,000	338,000	-	-
Lorry Control	Average	Nil	Nil	-	-

21. The **administration of the Freedom Pass** covers London Councils costs in negotiating the annual settlements and managing the relationships with transport operators and other contractors. After considering the overall income requirement for TEC, the proposed charge for 2021/22 remains at zero per borough, as the cost of administering the scheme continues to be met from income collected in respect of lost and damaged freedom passes. This position is reviewed on an ongoing basis particularly considering the current pressures on this income budget (paragraph 43) to ensure forecast income streams continue to cover the costs of administering the scheme.

22. The **administration of the Taxicard Scheme** covers London Councils costs in processing and issuing passes to members and managing the relationships with various contractors. After considering the overall income requirement for TEC, the proposed net cost to be charged to boroughs in 2021/22 is £338,000, no change on the total charge for 2019/20. This proposal includes the use of uncommitted TEC reserves of £118,000 to maintain the unit charge at this level. The active Taxicard total membership as at 30 September 2020 is 58,534, compared to 64,552 as at 30 September 2019, a decrease of 6,018, or 9.3% this is a result of officers carrying out a review of members to establish if they are still active and less members joining since the nationwide lockdown. The decrease in the spreading base and the recommended use of reserves of £118,000 has increased the underlying subsidised unit cost of a scheme member from £5.24 to £5.78 per member.

23. The **Lorry Control administration charge** total charge is calculated in the same manner as the Freedom Pass and taxicard administration charge, although it is apportioned to boroughs in accordance with the ONS mid-year population figures for, in the case of 2021/22, June 2019. The total cost of administering the scheme is estimated to be £769,704 in 2021/22, compared to £754,773 in 2020/21. This figure includes a sum of £50,000 that has been retained in anticipation of further development of the scheme in 2021/22. After consideration of projected income of £1 million from the enforcement of the scheme, it is proposed that there will be no borough or TfL contribution in 2021/22, as

for the current year. Again, this position will be reviewed annually to ensure forecast income streams continue to cover the costs of administering the scheme.

TEC Traded Services

24. A further range of services provided by TEC relate to various parking and traffic activities, primarily the London Tribunals (LT). A unit charge for each of these 'traded' services is made to the users, which covers the marginal costs of these services. The volumes of these transactions are solely generated by each borough; London Councils has no influence on the levels generated. In addition, an amount apportioned by the number of PCNs issued by each borough and TfL, covers the fixed costs of the parking related services - principally the LT- covering the actual cost of the appeals hearing centre and the fixed cost of the parking managed services contract.

25. The proposed level of charge for each traded service, compared to those for the current year is detailed in Table 3 below:

Table 3 – Proposed TEC Traded Services Unit Charges 2021/22

Charge	2021/22 (£)	2020/21 (£)	Variance (£)	%
Parking Enforcement Service Charge (total charge)	0.3596	0.3708	(0.011)	(3.0)
Environment and Traffic Adjudicators (ETA) Appeals (Hard Copy)	27.84	27.35	0.49	1.79
ETA Appeals (Electronic)	24.06	23.63	0.43	1.80
ETA Statutory Declarations (Hard Copy)	22.15	21.78	0.37	1.70
ETA Statutory Declarations (Electronic)	21.40	21.04	0.36	1.72
TRACE Electronic	7.53	7.53	-	-
TRACE Fax	7.70	7.70	-	-
TEC	0.175	0.175	-	-

26. The **Parking Enforcement Service Charge** is allocated to users in accordance with the number of PCNs issued. For 2021/22, expenditure of £3.060 million needs to be recouped, compared to £3.084 million for 2020/21; a decrease of £24,000. The decrease is largely due to a reduction in the budgeted leaseholder costs.

27. After top-slicing the amount for the estimated fixed costs of £835,798 attributable to the contract with the GLA/TfL in respect of road user charging appeals (RUCA) and ULEZ, a total of £2.225 million remains to be apportioned through the 6.187 million PCN's issued by boroughs and TfL in 2019/20 in respect of parking, bus lane and moving traffic

offences, compared to 5.958 million issued in 2018/19. The increase in the number of PCNs issued over the two comparative years increases the cost spreading base, which together with a reduction in the total costs of the London Tribunal attributable to ETA appeals, leads to a marginal reduction in the actual unit charge to boroughs and TfL of £0.011 per PCN, or 3%, from £0.3708 to £0.3596 per PCN for 2021/22. In addition, under the terms of the contract with Northgate, there is a separate fixed cost identified in respect of the borough use of the TRACE and TEC systems. For 2020/21, this sum was £95,000 and is estimated to increase to £97,000 in 2021/22. This sum will be apportioned to boroughs in accordance with volumes of transaction generated on each system by users.

28. The estimated volume of Environment and Traffic Adjudicators (ETA) appeals for 2021/22, based on actual volumes to date in 2019/20, is 43,995, compared to the budgeted figure of 44,722 for the current year. Due to the impact of the COVID-19 pandemic on appeal numbers in the current year, the 2019/20 actual number of appeals was used as the base budget.

29. Due to the COVID-19 pandemic the most accurate information on the throughput of appeals is the full 2019/20 year where 3.79 appeals were heard per hour, compared to 3.78 appeals per hour when the current year's budget was set in December 2019. This average figure takes account of all adjudicator time spent on postal and personal appeal hearing and also non-appeal 'duty adjudicator' activities. The slight increase in throughput is attributable to continued system and service improvements that now feed through into the processing figures. Based on this forecast figure, it is proposed that the indicative hard copy unit ETA appeal cost for 2021/22 is £27.35, an increase of £0.49 or 1.79% on the charge of £27.35 for 2020/21. For appeals where an enforcing authority provides electronic evidence, it is proposed that the unit cost will increase by £0.43 or 1.80% to £24.06. The lower charge to boroughs recognises the reduced charge from the contractor for processing electronic appeals, demonstrating that there remains a clear financial incentive for boroughs to move towards submitting electronic evidence under the current contract arrangements. As for 2021/22, boroughs will pay a differential charge for the processing of ETA statutory declarations. For hard copy statutory declarations, the proposed unit charge will be £22.15 compared to the charge of £21.78 for the current year, which represents an increase of £0.37, or 1.70%. For electronic statutory declarations, the proposed unit charge will be £21.40, an increase of £0.36, or 1.72% on the electronic appeal unit charge of £21.04 for the current year.

30. For RUCA Appeals, the estimated volume of appeals for 2021/22, based on 2019/20 actual volumes and taking in to account the extension of the scheme to weekends and evening charging is 19,478, compared to 20,784 for the current year. The original estimate for 2020/21 incorporated an estimate for the Ultra Low Emission Zone (ULEZ) scheme which came in to force in April 2019 therefore there was a level of uncertainty around appeal levels, which for 2021/22 is compounded by the COVID-19 pandemic. Under the terms of the contract, TfL/GLA will reimburse London Councils on a cost-recovery basis for the variable cost of RUCA appeals, ensuring that a break even position continues in respect of these variable transactions. The rechargeable level of fixed costs associated with this contract is £836,000 for 2021/22; a decrease of £40,000 on the 2020/21 budgeted level of £875,000, due to the net impact of forecasted costs increases and a reduction in estimated leaseholder costs.
31. In respect of **all other parking traded services**, the variable charges form part of the parking managed service contract provided by the contractor, Northgate, the volumes of which are again not controlled by London Councils; the individual boroughs are responsible for using such facilities. The volumes are based on those currently being processed by the contractor and are recharged to the boroughs, TfL and the GLA as part of the unit cost charge. Again, due to the ongoing COVID-19 pandemic, 2019/20 actual transactions have been used as the basis for setting the 2021/22 budget which are perceived to be a more accurate reflection of potential caseloads. Trends suggest that transaction volumes appear to be reducing for the use of the TRACE electronic systems but are increasing for the use of the TEC system.
32. The estimated increase in expenditure between 2020/21 and 2021/22 based on the actual transaction volumes for 2019/20 and estimated movement in contract prices is £5,813. The corresponding estimated effect on income, between 2020/21 and 2021/22, based on the 2019/20 actual transaction volumes is an increase of £4,452, leading to a net overall decrease in budgeted income of £1,361.
33. The charging structure historically approved by TEC for the provision of the variable parking services (excluding appeals) includes a contribution to overheads in each of the charges made to boroughs and other users for these services.

Proposed revenue budget for 2021/22

34. Based on the proposed level of subscription and charges, as detailed in paragraphs 13-33 above, the proposed revenue budget position for 2021/22, is summarised in Table 4 below. A detailed breakdown of proposed expenditure and income is shown at Appendices A and B to this report.

Table 4 – Proposed revenue budget 2021/22

	Joint Committee	Grants Committee	TEC	Total
	£000	£000	£000	£000
Indicative Expenditure	9,227	6,499	324,699	340,425
Central Recharges	156	169	567	892
Total Expenditure	9,383	6,668	325,266	341,317
Indicative Income	(6,575)	(6,668)	(324,341)	(337,584)
Central Recharges	(2,203)	-	-	(2,203)
Sub-total	(8,778)	(6,668)	(324,341)	(339,787)
Use of Reserves	(605)	-	(925)	(1,530)
Total Income	(9,383)	(6,668)	(325,266)	(341,317)
Indicative Net Position	-	-	-	-

35. The detailed breakdown of the proposed budgets for the Joint Committee, Grants Committee and TEC funding streams for 2021/22 is outlined in paragraphs 36-49 below.

Grants Committee

36. The provisional position for the Grants Committee for 2021/22 is as follows:

Table 5 – Indicative Grants Committee budget movements for 2020/21

	£000
Expenditure:	
Revised budget 2020/21	6,668
Proposed budget 2020/21	6,668
Budget Movement	-
Income	
Revised budget 2019/20	(6,668)
Proposed budget 2020/21	(6,668)
Budget Movement	-
Net Budget Movement	-

Transport and Environment Committee

37. Excluding the position for the payments to transport operators in respect of the Freedom Pass and Taxicard, which are dealt with in paragraphs 39-47 below, the provisional position for TEC for 2021/22 is detailed in Table 6 below:

Table 6 – Indicative TEC budget movements for 2021/22

Expenditure:	£000
Revised budget 2020/201	14,008
Proposed budget 2021/22	14,291
Budget Movement	283
Income	
Revised budget 2020/21	(14,008)
Proposed budget 2021/22	(14,291)
Budget Movement	(283)
Net Budget Movement	-
Developments – expenditure:	
Increase in Freedom Pass administration	15
Increase in Taxicard administration	17
Increase in Lorry Control administration	15
Decrease in London Tribunals administration	(48)
Increase in Health Emergency Badge administration	1
Increase in non-operational staffing costs	62
Volumes changes – Adjudicators fees	14
Volume changes – Northgate variable costs	(1)
Other running costs	2
Increase in payments between committees	84
Increase in central recharges not included in Direct Services	81
Sub-Total	242
Inflation:	
Salary costs	16
Northgate contract costs	25
Other	-
Budget Movement on expenditure	283
Developments – income:	
Reduction in income from replacing lost/faulty freedom passes	150
London Lorry Control Scheme PCN income	-
Volumes changes – appeals income	(7)
Volume changes – other parking services income	(4)
Increase in income for Health Emergency Badges	(1)
Reduction in income for replacement Taxicards	-
Decrease in income for fixed parking costs	23
Other adjustments	-
TfL income – Environmental policy work	(98)
Proposed increase in transfer from general reserve	(346)
Budget Movement on income	(283)
Net Budget Movement	-

38. The proposals for the level of subscription and charges for TEC related services in 2021/22, which are detailed in paragraphs 21-33 above, provide the rationale for the majority of the budget movements detailed in Table 6.

Freedom Pass

39. The main settlement with TfL for concessionary travel on its service is estimated to be £281.656 million, representing a provisional reduction of £37.107 million, or 11.64%, on the figure of £318.763 million for 2020/21. The reduction is significant and represents estimates considering the ongoing COVID-19 pandemic.

40. The Rail Delivery Group (RDG) settlement is still being negotiated. Early estimates are for a reduction of costs of £2.893 Million, reducing this part to £17.772 million compared to the budget of £20.665 million for the current year. However, officers are continuing to negotiate regarding the price per journey to be paid and will update TEC accordingly in December.

41. The budget for payments to other bus operators for local journeys originating in London has been reduced by £200,000 to £1.1 million, following projections for 2021/22, based on the 2019/20 outturn position plus taking into consideration a wider issues such as reduced trips levels as a result of the pandemic.

42. The budget for the freedom pass issuing costs was £1.518 million for 2020/21. For 2021/22, it is proposed that the budget remains at this level, which will include the cost of an annual pass eligibility review that yields significant cost savings to boroughs.

43. For income in respect of replacement Freedom Passes, current trends indicate that income is significantly behind the current year budget of £750,000. Considering the COVID-19 pandemic and the fact a bulk renewal process was undertaken in 2020, it is anticipated that fewer replacement cards will be issued. The 2021/22 income budget is being reduced to £600,000 and there is no proposed change to the unit cost of £12 for a replacement pass. As stated in paragraph 20, it is proposed that the in-house cost of administering the Freedom Pass scheme will be fully funded by this income stream in 2021/22.

44. As agreed by TEC in December 2014, any annual surplus arising from both the freedom pass issuing costs budget of £1.518 million (paragraph 42 above) and replacement

freedom passes income budget of £600,000 (paragraph 43 above) will be transferred to a specific reserves to accumulate funds to offset the cost of future major pass reissue exercises. As detailed in Table 9 at paragraph 51, the current balance on the specific reserve is £2.741 million, £1.241 million of which relates to Freedom Pass.

45. Final negotiations on the actual amounts payable to operators should be finalised in time for this meeting and the main TEC Committee on 10 December; any late variations to these provisional figures will be tabled at these meetings.

46. A summary of the provisional freedom pass costs for 2021/22, compared to the current year, can be summarised in Table 7 below. The total cost of the scheme is fully funded by boroughs and the estimated cost payable by boroughs in 2021/22 is £302.046 million, compared to £342.246 million payable for 2020/21. This represents a reduction of £40.2 million or 11.75% which reflects significant reductions in anticipated usage of the schemes due to the ongoing impact of the COVID-19 pandemic.

Table 7 – Comparative cost of Freedom Pass 2021/22 and 2020/21

Estimated Cost of Freedom Pass	2021/22(£000)	2020/21(£000)
TfL Settlement	281,656	318,763
RDG Settlement	17,772	20,665
Non TfL Bus Operators Settlement	1,100	1,300
Freedom Pass Issue Costs	1,518	1,518
Total Cost	302,046	342,246

Taxicard

47. it is assumed that TfL will provide an estimated fixed contribution of £8.859 million, no change in the figure for 2020/21. The total borough contribution towards the Taxicard scheme in 2021/22 is estimated to be £1.588 million, the same as for the current year, although the decision on boroughs' contributions is a matter for boroughs to take individually and will be confirmed in February 2021. The indicative budgetary provision for the taxicard trips contract with CityFleet Networks Limited, will, therefore, be an amalgam of the TfL and borough funding, currently equating to £10.447 million for 2021/22, the same figure as for the current year. However, several factors such as usage of the scheme particularly considering the COVID-19 pandemic could influence the final outturn position for 2021/22.

Joint Committee

48. The provisional position for the Joint Committee for 2021/22 is as follows:

Table 8 – Indicative Joint Committee budget movements for 2020/21

	£000
Expenditure:	
Revised budget 2020/21	9,069
Proposed budget 2021/22	9,383
Budget Movement	314
Income	
Revised budget 2020/21	(9,069)
Proposed budget 2021/22	(9,383)
Budget Movement	(314)
Net Budget Movement	-
Developments - expenditure:	
Increase in net salary costs	204
Decrease in City of London SLAs	(20)
Decrease in depreciation provision	(9)
Net increase in Southwark Street premises related costs	9
Increase in Supplies and Services	14
Increase in Central Recharges	6
Sub-total	204
Inflation	
Salary costs	100
Other	10
Budget Movement on expenditure	314
Developments - income:	
Decrease in LFC subscription	16
Increase in use of reserves	(205)
Net Increase in income from tenants and funded groups and central recharges	(67)
Decrease in Investment income	10
Transfer between committees - TEC	(68)
Total	(314)
Net Budget Movement	-

49. The key elements included within the net budget movement are detailed below:

- **Increase in salary cost** - this covers the following salary related costs of the Joint Committee:

- An estimated 2% pay award for 2021/22, which is subject to negotiations, will add £100,000 to total salary costs included members allowances;
 - In addition, staff salary progression through the approved staff structure plus other changes to specific posts and roles amounts to a net additional £44,000 in the JC salaries budget for 2021/22;
 - A necessary increase to the 2021/22 base budget to cover a deficit arising from the increased employers pension contribution of 1.6%, effective from 1 April 2020, and the additional 0.75% agreed pay award for 2020/21 (2% provided in budget, 2.75% settled) totalling £92,000
 - Finally, costs associated with additional environmental policy work, which are funded by TEC, of £68,000.
- **Depreciation charge** – There have been delays to the planned capital expenditure building works at Southwark Street during 2020/21. As a result, there is a net reduction of £9,000 depreciation charge in 2021/22;
 - **Reduction in City of London SLA costs** – A reduction to the SLA costs of £20,000 as a result of previously assumed inflationary increases not being applied.
 - **Increase in Southwark Street premises costs** – Marginal inflationary increases to premises costs of £9,000;
 - **Additional Supplies and Services** – Small inflationary increases to supplies and services totalling £14,000;
 - **Central Recharge expenditure** – An increase of central recharges costs within the joint committee due to annual movement of costs being recharge.
 - **Decrease in London Fire Commissioner subscription** – London Councils is no longer in receipt a subscription from the LFC.
 - **Increase in proposed use of reserves** – the proposed transfer from Joint Committee reserves for 2021/22 is £605,000, a £205,000 increase on the figure of £400,000 for the current year. As stated in paragraph 4, rental income was projected to accrue an estimated £250k in the current year (2020/21), rising to £550k by 2023/24, which would progressively reduce the annual amounts requiring transfer from uncommitted Joint Committee reserves to balance the budget over this period. Delays due to the COVID-

19 pandemic have resulted in no additional tenants in the current year therefore this, coupled with pressures on income and general inflationary cost increases, such as staffing costs as set out in paragraph 8, has resulted in an increased reliance on uncommitted reserves. As with boroughs, there has been a significant increase in the flexible deployment of resource during the pandemic to try and meet the needs of supporting member councils and working with wider London partners in response. These steps have been previously reported to members and there continues to be a high degree of turbulence in the nature of tasks that need to be undertaken separate from that originally envisaged. In time, it will be necessary to consider what lasting impact these developments will have on the base of ongoing activity and what the medium term impact of that will be in terms of future budget decisions. In the current phase of activity, however, it has not possible to do that reliably and to engage in a broader debate with members and councils about the impact of that on London Councils service to member boroughs.

- **Net Increase in income from tenants, funded groups and central recharges** – Net income from funded groups and central recharges across the committees has resulted in a small increase of £67,000 largely due to additional policy posts being funded by TEC and the spreading of central costs which have increased in line with inflation.
- **Decrease in Investment Income** – A reduction in investment income receivable to reflect the reduced interest rates being achieved on cash balances.
- **Transfer between committees (TEC)** – Income for specific Environment Policy work to be funded from TEC as agreed by TEC members in 2019.

Externally Funded Projects

50. In addition to the proposed expenditure of £341.317 million for largely borough funded activity, expenditure on activities financed through external contributions is currently projected to be in excess of £4.2 million in 2021/22, with funding being received through various external sources to fully fund the projects, ensuring no cost to boroughs. Once confirmation of continued funding into 2021/22 is received from funders over the coming months, budget plans for expenditure will be revised accordingly to ensure that they match the available funding.

Updated position on Reserves

51. The current position on the overall level of London Councils reserves is detailed in Table 9 below, which includes the forecast outturn position for the current year at the half-year stage:

Table 9 – Current Uncommitted Reserves

	Transport and Environment Committee (£000)	Joint Committee (£000)	Grants Committee (£000)	Total (£000)
General Reserve at 1 April 2020	3,889	5,573	820	10,282
Specific/ESF reserve at 1 April 2020	2,741	-	1,074	3,815
Provisional reserves at 1 April 2020	6,630	5,573	1,894	14,097
Committed in setting 2020/21 budget	(579)	(400)	-	(979)
Balances c/f into 2020/21	(91)	(452)	-	(543)
NRPF grants commitments in 2020/21	-	-	(960)	(960)
Use of TEC priority projects reserves in 2020/21	(160)	-	-	(160)
Provisional other commitments for 2021/22 -2022/23	(1,340)	-	-	(1,340)
Projected surplus/(deficit) for the year	200	94	31	325
Uncommitted reserves	4,660	4,815	965	10,440

52. The current level of commitments from reserves, as detailed in Table 9, come to £3.982 million and are detailed in full in Table 10 below:

Table 10– Current Commitments from Reserves

	2020/21	2021/22	2022/23	Total
	£000	£000	£000	£000
Balances b/f from 2019/20	543	-	-	543
Approved transfer from JC general reserves	300	-	-	300
Approved transfer from TEC general reserves	579	-	-	579
NRPF grants funding	960	-	-	960
Support to the health transition process	100	-	-	100
TEC priority projects	160	199	1,141	1,500
Totals	2,642	199	1,141	3,982

53. After taking into account the budget proposals outlined in this report and the recommended use of reserves of £1.530 million, which is made up of previously approved resources of £199,000 for TEC priority projects included in table 10 above and £1.331 million in general reserves in Table 11, the level of uncommitted reserves reduces to £9.109 million, as detailed below:

Table 11 - Estimated Uncommitted Reserves as at 1 April 2021

	Transport and Environment Committee (£000)		Joint Committee (£000)	Grants Committee (£000)		Total (£000)
	General	Specific	General	S.48	ESF/NRPF	
Projected uncommitted reserves (Table 10)	3,419	1,241	4,815	851	114	10,440
Proposal included in 2021/22 budget figures	(726)	-	(605)*	-	-	(1,331)
Transfer to Specific Reserves	-	-	-	-	-	-
Estimated residual uncommitted reserves	2,693	1,241	4,210	851	114	9,109

*Includes £100,000 to support the Health agenda

54. For the Grants Committee, the Grants Executive in September 2013 agreed that the level of reserves to cover the S.48 borough funded commissions (priorities 1 and 2) should be set at 3.75% of the budget, which will equate to £250,000 in respect of a proposed budget of £6.668 million for 2021/22. The forecast level of uncommitted reserves of £851,000 is, therefore, in excess of this benchmark at 12.76% of the proposed budget. In addition, residual S.48 ESF reserves of £114,000 are retained following the end of the programme following payments made in respect of No Recourse to Public Funds.

55. For TEC, uncommitted general reserves are forecasted to be £3.419 million as at 31 March 2021 and reflects the forecast surplus on general reserves of £200,000 for the current year.

56. After considering the proposed use of general TEC reserves of £925,000 in setting the 2021/22 budget (all, subject to agreement of main TEC meeting on 10 December), uncommitted general TEC reserves are forecast reduce to £2.693 million, or 18.8% of proposed operating and trading expenditure of £14.291 million. The full TEC Committee will be considering options for the level of uncommitted reserves in the short-term at its meeting on 10 December, considering a number of significant service developments.

57. For the Joint Committee functions, uncommitted general reserves are projected to be £4.210 million if the proposals in this report are approved. In a period of continuing financial constraint for London local government, and as demonstrated in the recent past, there is continued value in holding a reasonable level of reserves as a contingency. This will also facilitate a period of transition for the organisation, both in terms of the direction of travel relating to redefined priorities and pledges, the completion of the outcomes of the London Councils Challenge work and managing the impact of the COVID-19 pandemic.
58. Under existing CIPFA guidance, the Chief Financial Officer of an organisation is advised to make an annual statement on the adequacy of the level of an organisation's reserves. This is achieved by expressing the total level of estimated uncommitted reserves as a percentage of operating costs.
59. If the Leaders' Committee/TEC approves the use of uncommitted reserves of £1.530 million for 2021/22, as detailed in this report, residual uncommitted reserves would reduce to £9.109 million. This would represent 37.8% of total operating and trading expenditure in 2021/22 of £24.108 million. The comparable figures reported to this committee 12 months ago was projected uncommitted reserves of £11.626 million, which equated to 49.4% of provisional operating and trading expenditure of £23.512 million for 2020/21. This position maintains the desire expressed at recent meetings of the Executive for a healthy reserves position, particularly in the current economic climate. The Director of Corporate Resources is, therefore, content to issue a positive statement on the adequacy of the residual London Councils reserves for 2021/22.

Conclusions

60. This report proposes the level of boroughs subscriptions and charges to be levied in 2021/22, together with the consolidated revenue income and expenditure budget for 2021/22. The report also updates the Leaders' Committee on the current level of London Councils reserves after considering all current and proposed commitments, plus the timetable for the overall budget approval process. These proposals were considered by the London Councils Executive at its meeting on 10 November and this package was agreed for submission to this Committee for final consideration and approval.

Summary

61. This report proposes the level of boroughs subscriptions and charges to be levied in 2021/22, together with the consolidated revenue income and expenditure budget for 2021/22.

62. The subscription and budget proposals for 2021/22 relating to the Grants Committee, as contained in this report, were considered by the Grants Committee at its meeting on 11 November. The Grants Committee recommended that the Leaders' Committee approve the budget proposals as laid out in this report and which are also subject to a separate report on this agenda.

63. The subscription and budget proposals for 2021/22 relating to the Transport and Environment Committee were considered by the TEC Executive Sub-Committee at its meeting on 19 November and will be put before the main TEC meeting on 10 December for final approval. The Leaders' Committee is, therefore, asked to endorse the provisional TEC figures as laid out in this report.

Recommendations

64. The Leaders' Committee is asked to approve the following borough subscription and charges:

- The proposed Joint Committee subscription for boroughs of £161,958 per borough for 2021/22, no change on the charge of £161,958 for 2020/21. (paragraph 14);
- The proposed Joint Committee subscription for MOPAC of £15,410 for 2021/20, no change on the charge of £15,410 for 2020/21 (paragraph 15);
- An overall level of expenditure of £6.668 million for the Grants Scheme in 2021/22, no change on the expenditure for 2020/21; and
- Borough contributions for 2021/22 should be £6.668 million to fully cover the cost of the Grants scheme, no change from 2020/21 (paragraphs 16-18).

65. The Leaders' Committee is also asked to endorse the following subscription and charges for 2021/22 for TEC which were considered by the TEC Executive Sub-Committee on 19 November, and which will be presented to the main meeting of TEC on 10 December for final approval:

- The Parking Core Administration Charge of £1,500 per borough and for TfL (2020/21) - £1,500) (paragraph 19);
- No charge to boroughs in respect of the Freedom Pass Administration Charge, which is covered by replacement Freedom Pass income (2020/21 – no charge) (paragraph 21);
- The net Taxicard Administration Charge to boroughs of £338,000 in total (2020/21 - £338,000); (paragraph 22);
- No charge to boroughs and TfL in respect of the Lorry Control Administration Charge, which is fully covered by estimated PCN income (2020/21 – no charge) (paragraph 23);
- The Parking Enforcement Service Charge of £0.3596 per PCN, which will be distributed to boroughs and TfL in accordance with the number of PCNs issued in 2019/20 (2020/21 - £0.3708 per PCN; paragraphs 26-27);
- The Parking and Traffic Appeals Charge of £27.84 per appeal or £24.06 per appeal where electronic evidence is provided by the enforcing authority (2020/21 - £27.35/£23.63 per appeal). For hearing Statutory Declarations, a charge of £22.15 for hard copy submissions and £21.40 for electronic submissions (2020/21 - £21.78/£21.04 per SD) (paragraphs 28-29);
- Congestion Charging Appeals including ULEZ – to be recovered on a full cost recovery basis, as for 2020/21, under the current contract arrangement with the GLA (paragraph 30);
- The TRACE (Electronic) Charge of £7.53 per transaction (2020/21 - £7.53) (paragraphs 31-33);
- The TRACE (Fax/Email) Charge of £7.70 per transaction, which is levied in addition to the electronic charge of £7.53 per transaction, making a total of £15.23 (2020/21 - £15.23) (paragraphs 31-33); and
- The TEC Charge of £0.175 per transaction (2020/21 - £0.175) (paragraphs 31-33).

66. Based on the above proposed level of subscriptions and charges, the Leaders' Committee is asked to approve:

- The provisional consolidated revenue expenditure budget for 2021/22 for London Councils of £341.317 million, as per Table 4 at paragraph 34 and Appendix A of this report;
- The provisional consolidated revenue income budget for 2021/22 for London Councils of £341.317 million, also as per Table 4 at paragraph 34 and Appendix B;
- Within the total income requirement, the use of London Councils reserves of £1.530 million in 2021/22, as detailed in Table 11 at paragraph 53.

67. The Leaders' Committee is also asked to note:

- The position in respect of forecast uncommitted London Councils reserves as at 31 March 2021, as detailed at paragraphs 51-57; and
- The positive statement on the adequacy of the residual London Councils reserves issued by the Director of Corporate Resources, as detailed in paragraphs 58-59.

Financial Implications for London Councils

As detailed in the body of the report.

Legal Implications for London Councils

None

Equalities Implications for London Councils

None

Appendices

- Appendix A – the provisional consolidated revenue expenditure budget for London Councils for 2021/22.
- Appendix B – the provisional consolidated revenue income budget for London Councils for 2021/22.

Background Papers

London Councils budget working papers 2010/11 to 2021/22.

Appendix A

Proposed Consolidated Expenditure Budget 2021/22

	Jt Ctte £000	Grants £000	TEC £000	Total £000
Payments in respect of Concessionary Fares				
TfL	0	0	281,656	281,656
RDG	0	0	17,772	17,772
Other Bus Operators	0	0	1,100	1,100
Freedom Pass survey and reissue costs	0	0	1,518	1,518
Freedom Pass Administration	0	0	520	520
Comcab	0	0	10,447	10,447
Taxicard Administration	0	0	598	598
Sub-Total	0	0	313,611	313,611
Payments for commissioned services				
S.48 pan-London commisions	0	6,173	0	6,173
Subscription to London Funders Group	0	60	0	60
S.48 ESF pan-London commissions	0	0	0	0
Sub-Total	0	6,233	0	6,233
TEC Trading Account Expenditure				
Payments to Adjudicators- ETA	0	0	780	780
Payments to Adjudicators - RUCA	0	0	532	532
Northgate variable contract costs - ETA	0	0	304	304
Northgate variable contract costs - RUCA	0	0	174	174
Northgate variable contract costs - Other	0	0	211	211
Payments to Northampton County Court	0	0	4,000	4,000
Lorry Control Administration	0	0	770	770
ETA/RUCA Administration	0	0	3,060	3,060
HEB Administration	0	0	43	43
Sub-Total	0	0	9,874	9,874
Total Direct Services	0	6,233	323,485	329,718
Operating Expenditure				
Contractual Commitments				
Capital Ambition legacy project costs	82	0	0	82
Contribution to LOTI	100	0	0	100
YPES Regional/Provider Activities	50	0	0	50
Southwark Street Leasehold Costs	1,366	0	0	1,366
Leases for photocopiers	29	0	0	29
HR Metrics Infinistats contract	35	0	0	35
Northgate Fixed Costs	0	0	97	97
External audit fees	40	0	0	40
CoL Finance/Legal/HR/IT SLA	497	0	0	497
Depreciation	191	0	0	191
Grants GIFTS system support	0	10	0	10
Sub-Total	2,390	10	97	2,497
Salary Commitments				
Officers	4,867	218	786	5,871
Members	219	19	20	258
Maternity provision	50	10	30	90
Sub-Total	5,137	247	835	6,219
Discretionary Expenditure				
Staff training/recruitment advertising	112	7	0	119
Staff travel	17	2	0	19
Other premises costs	291	0	0	291
SS ICT support	60	0	0	60
Supplies and service	718	0	157	875
Research	402	0	40	442
Contributiobn to Health related work	100	0	0	100
Other 3rd party payments	0	0	84	84
Sub-Total	1,701	9	281	1,991
Total Operating Expenditure	9,227	266	1,213	10,706
Central Recharges	156	169	567	892
Total Expenditure	9,383	6,668	325,266	341,317

Appendix B

Proposed Consolidated Income Budget 2021/22

	Jt Ctte £000	Grants £000	TEC £000	Total £000
Borough contributions to TfL	0	0	281,656	281,656
Borough contributions to RDG	0	0	17,772	17,772
Borough contributions to other bus operators	0	0	1,100	1,100
Borough contributions to surveys/reissue costs	0	0	1,518	1,518
Borough contributions to freedom pass administration	0	0	0	0
Income from replacing lost/faulty freedom passes	0	0	600	600
Income from replacing lost/faulty taxicards	0	0	18	18
Borough contributions to Comcab	0	0	1,588	1,588
TfL contribution to Taxicard scheme	0	0	8,859	8,859
Borough contributions to taxicard administration	0	0	324	324
TfL Contribution to taxicard administration	0	0	124	124
Sub-total	0	0	313,559	313,559
Borough contribution to grants payments	0	6,233	0	6,233
ESF Grant Income	0	0	0	0
Sub-total	0	6,233	0	6,233
TEC trading account income				
Borough contributions to Lorry Control administration	0	0	0	0
London Lorry Control PCN income	0	0	1,000	1,000
Borough ETA appeal charges	0	0	967	967
TfL ETA appeal charges	0	0	118	118
GLA RUCA appeal income	0	0	706	706
Borough fixed parking costs	0	0	2,051	2,051
TfL fixed parking costs	0	0	270	270
GLA fixed parking costs	0	0	836	836
Borough other parking services	0	0	566	566
Northampton County Court Recharges	0	0	4,000	4,000
Sub-total	0	0	10,514	10,514
Sub-Total	0	6,233	324,073	330,306
Core borough subscriptions				
Joint Committee	5,119	0	46	5,165
Grants Administration	0	435	0	435
TEC (inc TfL)	0	0	51	51
MPA subscription	17	0	0	17
Sub-total	5,136	435	97	5,668
Other Borough charges				
Borough contributions towards LCP functions	496	0	0	496
Borough contributions towards YPES functions	180	0	0	180
Borough contributions to HR Metrics service	101	0	0	101
Sub-total	777	0	0	777
Other Income				
Investments	65	0	0	65
Room bookings and conferences	100	0	0	100
Letting of office space	252	0	0	252
Deskspace charge to funded groups	113	0	0	113
Sales of publications	18	0	0	18
Employment services trading account income	38	0	0	38
TfL secretariat recharge	0	0	31	31
Sales of Health Emergency badges	0	0	43	43
Miscellaneous income	8	0	0	8
Contribution from TfL for Environmental Policy priorities	0	0	98	98
Transfer from TEC Committee	68	0	0	68
Sub-total	662	0	172	834
Transfer from Reserves	605	0	925	1,530
Central Recharges	2,203	0	0	2,203
Total Income Base Budget	9,383	6,668	325,266	341,317

Leaders' Committee

Minutes and Summaries

Item no: 10

Report by: Lisa Dominic **Job title:** Senior Governance Support Officer
Date: 8 December 2020
Contact Officer: Christiane Jenkins
Telephone: 020 7934 9540 **Email:** Christiane.jenkins@londoncouncils.gov.uk

Summary Summaries of the minutes of London Councils

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

- Executive – 8 September 2020
- Grants Executive – 16 September 2020
- YPES – 15 October 2020

Minutes of the Meeting of the Executive

Tuesday 8th September 2020 09:30 am

Cllr Peter John OBE was in the chair

Present

Member	Position
Cllr Peter John OBE	Chair
Cllr Teresa O'Neill OBE	
Cllr Claire Holland	
Cllr Darren Rodwell	
Cllr Georgia Gould	
Cllr Ray Puddifoot MBE	
Cllr Muhammed Butt	
Cllr Gareth Roberts	Substitute
Cllr Clare Coghill	
Cllr Danny Thorpe	
Cllr Elizabeth Campbell	
Catherine McGuinness	

Cllr Julian Bell and Kim Smith, Chief Executive of the the London Borough of Hammersmith and Fulham were in attendance.

London Councils officers were in attendance.

The Chair congratulated Cllr Sir Ray Puddifoot MBE on his recent knighthood. The Chair confirmed that it was to be his last meeting of the Executive, although he would be attending the Leaders' Committee AGM in October.

Cllr Puddifoot announced that this would be his last Executive meeting. The Chair also confirmed that John O'Brien, London Councils Chief Executive, had announced his intention to step down from his role in April 2021.

The Chair also welcomed Cllr Gareth Roberts, who was substituting for Cllr Ruth Dombey, and also Kim Smith, Chief Executive of the London Borough of Hammersmith and Fulham, present for item 4 on the agenda.

1. Apologies for absence and announcement of deputies

Apologies for absence were received from Cllr Ruth Dombey.

2. Declaration of interest

Cllr Bell declared an interest in that he was a member of the Transport for London (TfL) Board.

3. Minutes of the Executive Meeting held on 16th June 2020

The minutes of the Executive meeting held on 16th June 2020 were agreed as an accurate record of the meeting

4. Supporting Councils to improve services and practice by addressing Racial Inequality

The Chief Executive introduced the report, informing members that the business plan adopted in July 2020 had included references relating to the importance of fairness and inclusivity in the Capital, and that these ambitions were to be seen in the context of the disproportionate impact on BAME communities by Covid-19, and also the response to the death of George Floyd. Work in these areas had progressed with professional networks and, in particular, a CELC working group, chaired by Kim Smith, Chief Executive of Hammersmith and Fulham Council, as well as Heads of HR and also Cllr Butt, Portfolio Holder for Welfare, Social Inclusion and Empowerment.

The work with boroughs emphasised the importance of avoiding duplication in work, and also of finding ways in which boroughs could better be supported to

fulfill their own objectives. Progress was being shared in order to get for members' feedback, with a view to taking a draft statement to Leaders' Committee for endorsement.

Kim Smith, Chief Executive of the London Borough of Hammersmith and Fulham, commented that the paper set out a business case for addressing inequality issues, a number of which had been further revealed by the Pandemic, within three overall themes: Demonstrating Leadership; Building Inclusive Workplaces; and Challenging and Improving Practice across Services.

Ms Smith pointed out that London boroughs had a good reputation for being inclusive employers and in demonstrating positive behaviours, and there were opportunities for looking at further improvements, for example maximising apprenticeship levy budgets, and looking at the issue of recruitment of BAME staff. Ms Smith recognised the large amount of good practice within boroughs, as well the need to accelerate actions in this sphere and for greater visibility in the work being undertaken.

Ms Smith also referenced a number of thematic reviews on health, crime, housing and employment, which now had regard to the disproportionate impact on BAME communities and which were addressing whether work programmes needed to be amended as a result.

Cllr Butt recognised the opportunity for boroughs to have a collective voice and to demonstrate further commitment with a view to increasing confidence. He recognised the importance of boroughs, as large employers, creating mentoring and support systems, and demonstrating that boroughs were taking the issue of inequality seriously.

In terms of the draft statement on race equality, the Chair explored the relationship with MOPAC/MPS work in this area.

Members made the following points in response to the paper:

- it was important that boroughs should look at their own workforce diversity, and how they were developing recruitment, sponsorship and mentoring to promote more diverse organisations;
- it was also important to understand what boroughs already knew about disproportionality in terms of planning for a potential second wave of the Pandemic, and what more could be done to mitigate the risks for communities;
- data held by boroughs should be utilised to help benchmarking activity, examine key issues such as ethnicity pay gaps and to help focus on action to improve outcomes.
- the work should eventually be expanded to cover all areas of diversity.

Executive noted the progress made in co-designing a programme of activity, commented on the emerging model for the programme of work set out in the report, and commended the draft statement set out in Appendix B to Leaders' Committee for its consideration.

5. Local Government Finance – Update

The Director of Local Government Performance and Finance introduced the report, commenting that:

- the paper set out the aggregate financial position for London boroughs as a result of Covid 19 impacts to the end of July based upon individual borough returns. Since the production of the report, boroughs had completed the August survey, the results of which were being analysed.
- Collectively, the financial impact of Covid-19 on boroughs was estimated to be losses of £2 billion

- the paper had been written in the context of the forthcoming Spending Review and further Government consultation on the reform of Business Rates
- In terms of the Business Rates review, there was an initial call for evidence by 18 September and a full response required by the end of October. The draft London Councils response called for the review to take place alongside a wider review of the Local Government finance system
- the paper also set out an approach to Spending Review lobbying.

Members made the following points in response to the report:

- the key financial priority was to make good the financial effects of the Pandemic and address the issues of social care underfunding. Broader ambitions would fall in to the medium term as the immediate priority was seeking greater financial stability;
- that greater clarity on the next phase of Government financial support was clearly needed;
- London had historically been a source of support to other parts of the country, but the lack of available finance would limit the ability of London to assist in that way in the next period;
- the work on the treatment of SEND deficits in relation to DSG had yielded positive results;
- lobbying should not focus too much on the submission of letters to ministers;
- the previously agreed 1/2 page list of 'asks' for London remained a good product and should also include the investment case for London.

Executive noted the information provided on the financial impact of Covid-19 and agreed the broad principle of the joint London Government response to the Fundamental Review of Business Rates.

6. Covid 19 – Recovery and Renewal

The Chief Executive introduced the report, referencing the previously expressed view of the Executive that work should build on the work being carried out by the boroughs on recovery and renewal as well as supporting the Recovery Board. Accordingly, the results of a survey of Leaders and Chief Executives had been included in the report, which covered the work that boroughs have been participating in with communities, cross borough collaborative projects, and how boroughs were addressing the financial challenges caused by the Pandemic.

Members were informed that the themes in the report would be developed further with Portfolio holders, and it was hoped to integrate the work into material in connection with influencing the Spending Review and in responding to the Devolution White Paper. The competing pressures on time and resources, for members, for boroughs and London Councils in supporting various strands of recovery activity would need to be identified and managed.

- Members emphasised the connection to work on Resilience and London local government response to the pandemic.

Cllr Gould drew members' attention to the shared agenda being developed with the GLA in encouraging green jobs, digital access and reinvigorating high streets.

The Executive noted the findings of the borough Leaders and Chief Executive surveys and supported progressing the findings contained in the Recovery and Renewal overview report.

7. Month 3 Revenue Forecast 2020/21

The Director of Corporate Resources reported:

- That the figures reflected the impact of the Pandemic on the Transport and Environment and Joint Committee funding streams;
- while TEC had a small surplus, there has been a reduction in income relating to enforcement activities and Freedom Pass renewal income;
- there had been savings in the running costs of London Councils buildings and utilities, but the income target for meeting room rental had not been met because of the present position;
- in terms of reserves, London Councils were in a broadly comparable position compared with the same time last year;
- the implications of the Pandemic were expected to be clearer at the half year stage.

Cllr Puddifoot felt that the financial position was relatively strong and as good as could be expected in the present circumstances. He congratulated the Finance Team at London Councils for all their work, which the Chair also endorsed.

The Executive noted the overall forecast surplus as at 30 June 2020 (Month 3) of £109,000 and noted the position on reserves.

8. Debtors Update report

The Director of Corporate Resources presented the report, which detailed the level of outstanding debt owed to London Councils from all sources as at 31 July 2020. This report also detailed the reduction in the level of outstanding debt due from boroughs, TfL and the GLA in the period to 31 December 2019.

Executive noted that all borough, TfL and GLA debts raised up to 31 December 2019 and reported to the Executive at its meeting on 3 March 2020 have been paid; the level of outstanding debt of £1.83 million in respect of borough, TfL and GLA invoices raised in the period 1 January to 31 July 2020; the level of outstanding debt of £229,000 in relation to other debtors invoices raised up until 31 July 2020; and the impact of the Covid-19 pandemic on the finances.

In closing, Executive Members paid tribute to Cllr Peter John for his work as Chair of London Councils, recognising his strong leadership, persuasive advocacy on behalf of London local government and his willingness to offer advice and support to fellow Leaders across London throughout his tenure as Chair. Members also paid tribute to the contribution of Cllr Sir Ray Puddifoot to the Executive and thanked him for all of his work.

The meeting closed at 10.45.

Report from the Grants Executive Committee – 16 September 2020

Item no:

Report by: Ana Gradiska **Job title:** Principal Governance and Projects Officer

Date: 8 December 2020

Contact Officer: Ana Gradiska

Telephone: 020 7934 9781 **Email:** Ana.gradiska@londoncouncils.gov.uk

Summary: Summary of the minutes of the London Councils' Grants Executive Committee held on 16 September 2020.

Recommendations: For information.

Members:

Mayor Philip Glanville (Chair) LB Hackney
Cllr Caroline Kerr (Vice Chair), RB Kingston upon Thames
Cllr Charlene McLean, LB Newham
Cllr David Leaf, LB Bexley
Cllr Jonathan Slater, LB Lewisham
Dhruv Patel OBE, City of London

London Councils officers:

Yolande Burgess, Strategy Director
Frank Smith, Director of Corporate Resources
Daniel Houghton, Liberal Democrat Political Advisor
Jade Appleton, Conservative Political Advisor
Mehboob Khan, Labour Political Advisor
Ana Gradiska, Principal Governance and Projects Officer
Lisa Dominic, Senior Governance Support Officer

For Item 5: David Farnsworth (Chair of London Funders and Director & Chief Grants Officer of the City Bridge Trust)

1 Apologies for Absence and Announcement of Deputies

1.1 Apologies were received from Cllr Saima Ashraf, Barking and Dagenham.

2 Declarations of Interests

2.1 There were no declarations of interest.

3 Minutes of the Grants Executive held on 5 February 2020

- 3.1 The minutes of the Grants Executive meeting held 5 February were agreed.

4 Minutes of Grants Committee held on 8 July 2020 (for noting)

- 4.1 The minutes of the Grants Committee held on 8 July 2020 were noted.

5 Discussion item: Working with other funders, communities and the voluntary sector

- 5.1 David Farnsworth thanked Yolande Burgess, Strategy Director, for all the work she has done on the Funders, Community and Voluntary Sector Sub-Group, which was formed to support London's funders and the community and voluntary sector to respond to the Covid-19 crisis. One of the aims of the sub-group was to look at new and emerging best practice for grant making and to explore opportunities for aligning processes and funding. Through the London Community Response, processes have been amended to ease the administrative burden for third sector organisations whilst ensuring due diligence for the funders (for example, accessing due diligence that had been carried out in the past three months) and managing risks. The relationship with the community sector had improved and there had been some excellent examples of cooperation taking place during the past few months. London Funders, the cross-sector membership network for funders and investors in London which represents 130 organisations, has commissioned a report to capture the information and best practice gained from the past six months.
- 5.2 The Strategy Director said that during the last six months, things were achieved which would previously have been deemed impossible. Risk and due diligence were managed in a different way, as were funding applications. There was a strong recognition that funders were trusting third sector organisations to get on with their work, and as a result, relationships between funders and third sector organisations have improved immensely. The Funders, Community and Voluntary Sector Sub-Group had started looking into investment in the voluntary sector beyond funding, e.g. capacity building, mutual aid groups, new ways of working to deliver greater efficiencies.

6 Current programme: Rapid review for 2021/22

- 6.1 The purpose of the review was to establish if any immediate changes to the programme needed to be considered in the interests of the boroughs. The review asked respondents to consider the current key performance measures in the context of the current and short-term environment. Only seven responses to the review were received. This was due to the timing – the review had to take place over August, in order to be ready to be presented at the November Grants Committee meeting, and to avoid clashing with the full consultation for the new programme. The respondents stated that the existing performance measures remained broadly the right measures. In order to add to the information garnered from the review, it was proposed that the Grants Team undertakes a workshop session at the next Borough Grants Officers meeting on 30 September and arranges brief one-to-one/two sessions (via phone/Skype/Teams) with Grants

Committee members and borough policy leads for Housing and Homelessness and Domestic Violence.

- 6.2 The results from the review will be presented to Grants Committee in November along with recommendations for funding agreement variations for grants partners. This will provide financial certainty to grants partners before the end of the calendar year, to enable them to forward plan.

Action: The Strategy Director to send the meeting invite for the 30 September workshop to Grants Committee members and ask them to forward it to their Heads of Service.

Action: The Grants team to get in touch with the London Child Poverty Alliance.

- 6.3 Grants Committee Executive members:

- noted the response to the rapid review
- agreed the next steps for further exploratory work
- agreed to present funding agreement variations to the November Grants Committee meeting for endorsement.

7 Grants Programme 2021-2025: Planning and implementation

- 7.1 The Strategy Director introduced this item and said that:

- In July 2020, the Grants Committee agreed that the current 2017-2021 Grants Programme be extended to March 2022, to allow time to develop a new programme that reflected a London recovering from the consequences of Covid-19 and lockdown. In order to develop the new programme starting April 2022, planning needed to start now. At the last meeting of the Grants Executive, members had agreed to have an initial consultation with boroughs (both elected members and officers), to help shape broader stakeholder engagement plans and the more detailed plans for achieving a new programme.
- Even prior to the pandemic, officers working with young people locally were seeing an increase in need. Many borough officers made the point that youth work is, and should be, locally tailored, so it was difficult to envisage a regional project. Youth poverty cuts across priorities one and two.
- The Grants Programme four-year cycle broadly mirrors the London Councils elections cycle. The new programme will be out of kilter with the elections cycle, which needed to be given further consideration.

- 7.2 Executive discussed a 'response' fund, funded through reserves, that supported aspects of transition and recovery. The Chair reminded members that at the February Grants Executive meeting, members were asked to identify 'sponsors' for supporting and challenging the consultation and stakeholder engagement; emerging best practice for grant making, and equity and inclusion work. Cllr David Leaf held this role for the No Recourse for Public Funds (NRPF) work. Other members of the Grants Committee have also shown an interest in being sponsors.

- 7.4 The Chair asked for another Grants Executive meeting to be organised ahead of the November Grants Committee AGM to explore the future Grants programme cycle and

what effect the different frameworks would have on governance, decision making and planning.

7.5 Members agreed the recommendations in the report including the additional meeting.

Action: London Councils to organise a further Grants Executive meeting ahead of the November Grants AGM.

Action: The Strategy Director to speak to sub-regional directors about potential for potential for working with the Grants Committee on tackling youth poverty.

8 No Recourse to Public Funds (NRPF) reporting – verbal update

8.1 The Strategy Director gave an update on the NRPF work undertaken since the programme started.

8.2 Members thanked the Strategy Director for the update and said that this seemed to be a very successful scheme that would save public money in the long run. Careful monitoring of the situation was necessary, particularly when temporary accommodation is no longer available and street homelessness increases. It was noted that capturing borough level information might be difficult for those presenting as homeless.

8.3 The Chair asked London Councils to publicise the successful start that partners had made with regards to NRPF work. The Strategy Director said that she would speak to the London Councils Communications team about this.

Action: The Strategy Director to work with the London Councils Communications team to publicise the successful start of the NRPF work.

9 Month 3 Revenue Forecast 2020/21

9.1 The Director of Resources introduced this report and said that the pandemic has had very little effect on the Committee's income and that members needed to consider options for the use of reserves during the autumn, which had already been touched on at Item 7.

9.2 Members:

- noted the projected surplus of £2,000 for the year; and
- noted the projected level of Grants Committee reserves.

The meeting finished at 3.40pm.

Young People's Education and Skills Board

Date	15 October 2020	Venue	Microsoft Teams and livestreamed
Meeting Chair	Cllr Georgia Gould, Leader of Camden Council and Chair of London Councils		
Contact Officer	Peter O'Brien		
Telephone	020 7934 9743	Email	peter.obrien@londoncouncils.gov

Present

Cllr Georgia Gould	Leader, Camden Council and Chair of London Councils
Brian McKeown	DWP London and Essex Group
Cllr Claire Coghill	Leader, London Borough of Waltham Forest and London Councils Lead on Skills and Employment
Cllr Elizabeth Campbell	Leader, Royal Borough of Kensington and Chelsea and London Councils Lead on Schools and Children's Services
Gail Tolley	Strategic Director for Children and Young People, London Borough of Brent) representing the Association of London Directors of Children's Services
Graeme Atherton	Director, AccessHE
John Prior	Principal, Orchard Hill College
Mary Vine-Morris	Area Director (London) and National Lead on Employment, Association of Colleges
Sarah Wilkins	Head of Education and Youth, Greater London Authority (GLA) representing Joanne McCartney, Deputy Mayor of London for Education and Childcare
Yolande Burgess	Strategy Director, London Councils
Presenter Lib Peck	Director of the Violence Reduction Unit, GLA

Officers	
Peter O'Brien	Manager, London Councils - Young People's Education and Skills
Lisa Dominic	Senior Governance Support Office, London Councils
Apologies	
Ben Anderson	Landsec, employer representative on the London Economic Action Partnership (LEAP)
Michael Heanue	GLA / LEAP
Paul Wakeling	Havering Sixth-Form College, representing AoC – Sixth-Form Colleges
Dr Sam Parrett OBE	London South East Colleges Group, representing AoC – General Further Education Colleges

1 Welcome, Introductions and apologies

- 1.1 The Chair welcomed Board members, introduced Cllr Coghill, who will take over as Chair of the Board after this meeting, thanked Lib Peck for agreeing to present to the meeting and invited those in attendance to introduce themselves. Cllr Coghill said she was looking forward to working with the Board and Board members reciprocated this sentiment. Comments from Ben Anderson, who had given apologies for absence, were made available to the meeting.

2 The work of the London Transition and Recovery Boards in relation to young people

- 2.1 Yolande Burgess introduced the item and spoke about the London Transition Board - which is focused on co-ordinating London's response to Covid-19, emergence from lockdown and outbreak control - and the London Recovery Board, which has been established to reverse the economic and social effects of the pandemic, especially unemployment, narrow inequalities and accelerate the delivery of a cleaner, greener London. Through a process of co-production involving City Hall, London Councils, London's civic society, business and other stakeholders, the overall challenge has been defined as 'restore confidence in the city, minimise the impact on London's most vulnerable communities and

rebuild the city's economy and society', which will be delivered through nine interconnected missions.

2.2 Lib Peck spoke about the new deal for young people mission and explained that it was to ensure that, by 2024, all young people are entitled to a personal mentor and all young Londoners have access to quality local youth activities. Lib talked through the elements of the mission and emphasised: the importance of engaging young people; how we need to re-imagine the concept of 'mentoring'; and that youth activities considered as part of this mission went beyond the creation of youth centres. Lib also referred to the close links between the new deal for young people and the other missions that related to education, employment and health and well-being.

2.3 The Chair thanked Lib for her presentation. In discussion, the Board welcomed both the overall approach that had been taken to London's recovery and the new deal for young people mission. In particular, the Board:

- appreciated the emphasis on individualised support and Board members offered to assist the Recovery Board in articulating universal entitlements within which specific needs could be addressed
- stressed the importance of engaging young people in the design and delivery of solutions to both the current priorities and the chronic problems that young Londoners have faced
- agreed that the priority for the Board and team at London Councils should be to support the London Recovery Board's missions, gather and analyse information in conjunction with boroughs and other partners and build on activities and projects that have had successes in the past.

Action: Peter O'Brien to develop an action plan for the Young People's Education and Skills Team to support the London Recovery Board's missions

3 Mayor's response to recommendations made by the Education Panel of the London Assembly

3.1 Sarah Wilkins said that the Education Panel had made recommendations in March and some covered areas that were not within the Mayor's remit. These included special educational needs and disabilities (SEND) and school sixth

forms. In his response, he had referred to the Young People's Education and Skills Board.

3.2 It was agreed that:

- the Education Panel's recommendations on SEND provision would best be addressed when the Department for Education (DfE) published the findings of its review of the national system that had been put in place in 2014
- Board members should send their views on small sixth forms to Peter O'Brien at London Councils to relay to Sarah.

Action: On the release of the findings of DfE review of the SEND system, Yolande Burgess to convene a task and finish group to consider both the DfE review and the recommendations from the Mayor's enquiry.

Action: Board members to send views on small sixth forms to Peter O'Brien (peter.obrien@londoncouncils.gov.uk) by 6 November 2020.

4 Feedback and intelligence from borough officers

4.1 Peter O'Brien reported back from a meeting of borough officers held in September. He said that, although there had been some re-deployment of resources from 14 to 19 teams, the level of NEET had been relatively stable throughout the pandemic and boroughs had continued with work experience and careers events. There was scope for closer integration and simplification of services in the future. A follow-up meeting is taking place in November 2020.

5 Other business

5.1 Mary Vine-Morris said that Colleges Week will take place 19 to 25 October 2020.

6 Valediction

6.1 On behalf of the Board, Yolande Burgess congratulated Cllr Gould on her appointment as Chair of London Councils and thanked her for chairing the Young People's Education and Skills Board and contributing to its work. The meeting echoed Yolande's comments and offered its best wishes to Cllr Gould in her new role.