

Minutes of Meeting of the Executive

Tuesday 21st June 2022 09:30 am

Present

Member	Position
Cllr Ruth Dombey OBE	Vice Chair
Cllr Teresa O'Neill OBE	Vice Chair
Cllr Georgia Gould	Chair
Cllr Elizabeth Campbell	
Tijs Broeke	Substitute
Cllr Nesil Caliskan	
Cllr Darren Rodwell	Deputy Chair
Cllr Ian Edwards	
Cllr Claire Holland	
Mayor Phil Glanville	
Cllr Jas Athwal	
Mayor Rokhsana Fiaz OBE	

London Councils officers were in attendance.

1. Declarations of interest

There were no declarations of interest.

2. Apologies for absence and announcement of deputies

Apologies for absence were received from Christopher Hayward (City of London).

3. Minutes of the informal Executive Meeting held on held on 1st March 2022 – to note

The minutes of the informal Executive meeting held on 1st March 2022 were noted.

4. London Councils' Shared Ambition Milestones

The Chief Executive introduced the item. Members were informed that:

- Following Leaders' Committee agreement in December 2021, a lot of work had been done regarding the fleshing out of the Shared Ambitions strategic framework
- Members were now asked for feedback as to whether the priorities and milestones were correct, in that they would steer London Councils' work over the next 18 months
- It was acknowledged that as the context was constantly changing, the plans would have to be adapted although the framework would remain portfolio holders' input would be important in further shaping the work
- The framework included London's Future policy areas relating to the economy, welfare, jobs and skills and wider infrastructure including housing and transport; other areas included climate change, health and wellbeing, London's Voice, London Councils' value proposition; and organisational development to shape the organisation to meet the Shared Ambitions.

Members thanked teams at London Councils for their work on the Shared Ambitions and supported the work. The following comments were made:

- It was felt that cost of living issues could be more directly referenced, and that there should be a direct response made to Government on this issue. Also that there was expertise across London in terms of how historic high inflationary/cost of living situations had been addressed and this should be accessed
- There was an interconnectivity between the themes in the Shared Ambitions and the cost of living issue and as such, cost of living could help frame the overall plan
- The wellbeing aspects were very health focused and there should be greater emphasis on prevention, while maintaining the public health role of boroughs and the need to prepare for the ICS transition

- There was a need to consider how the Shared Ambitions could be most effectively communicated to Londoners.

The Chief Executive commented that, in terms of London Councils' resources, there had been some repurposing via management restructuring and improved collaborative working; money had previously been made available to assist with climate work, and there was a proposal later on in the agenda regarding the establishment of a Shared Ambition fund to assist with, among other things, the need for health expertise in relation to the upcoming health work. This would be presented within the context of a three-year financial strategy.

Members noted the report and the shared ambitions milestones as set out in the report.

5. Local Government Finance update

The Strategic Director: Local Government, Finance & Improvement introduced the report. Members were informed that:

- The lack of certainty from Government in terms of proposed review of core funding made financial planning difficult; it was unlikely that the Fair Funding or Business Rates Retention reset would happen in the short term
- There was some headroom within the £800+ million Services Grant which was originally to be used as part of the transition to new baselines, and it is likely that the Government would use this to redistribute funding within the settlement for next year and would consult on this shortly
- Some work had been done with London borough treasurers to model the potential impact of increased inflation, which could drive an additional £400m of costs this year
- Other financial pressures highlighted included; growing high needs deficits; the impact of costs of adult social care reforms; underfunding of asylum seekers' costs; and the possibility of undercounted data in the 2021 Census which should that be used in future funding formulas

- In autumn 2022 members would be consulted regarding a decision to reconstitute the London Business Rates Pool. However, Levelling Up provided the impetus for London to consider different funding approaches, and to make a case for greater financial autonomy through fiscal devolution.
- Further lobbying would take place around the Census, SEND and Adult Social Care reforms. There would also be a pre-Budget submission in the autumn.

Members made the following points:

- It was important, if possible, to differentiate between the financial impacts of Covid pressures and cost of living
- In terms of levelling up, the Lea Valley position should be reviewed
- The impact of boroughs being a minimum wage employer attracted different inflationary concerns
- The previous submission to Government regarding the spending review should be looked at to ensure that London did not lose out
- The services grant was seen as a safety valve and its removal would place boroughs in a difficult position

In response to these points, the Strategic Director responded that:

- It was difficult to disaggregate cost of living and Covid cost issues, and also that boroughs had built reserves to support to support the ongoing pressures relating to Covid-19
- It was likely that any Business Rates re-evaluation would be more cushioned because of Covid.

Members noted the report.

6. UK Shared Prosperity Fund

The Chair informed members that there had been intense lobbying for the UKSPF to be given directly to boroughs, and that while the allocation would be made to the GLA, the lobbying had resulted in boroughs' position being strengthened.

The Strategic Lead: Enterprise, Economy and Skills introduced the report and provided context to the Fund. She informed members that:

- London was due to receive £185 million from the Fund over three years; £144 million for core funding and £41 million for Multiply
- The GLA was designated as the lead authority for the Fund and needed to submit an Investment Plan to Government by the end of July with a view to spending starting in October
- Leaders Committee had made it clear that they wanted London boroughs to secure a central role in terms of UKSPF and in co-designing the investment plan, and also that boroughs should not have to bid for funds
- After negotiations, 54% (£78 million) of the Fund will be direct to borough allocations covering all three strands. 100% of the Communities and Place strand (£40 million) will go to boroughs and the City of London. A majority of the People and Skills strand would go to the Sub regional partnerships (£25 million) and £13 million would be provided for 'Supporting Local Businesses' which would be given to boroughs. Another £4.5 million had been set aside for a 'no wrong door' fund for business support
- Management costs were up to 4% (£5.6 million) but were being reviewed by the GLA to look at further reductions
- London Councils had set up working groups with GLA officers for draft investment plans by the end of June.

Members made the following points:

- It needed to be clear in discussions around the Fund that the boroughs and the City of London were clearly referenced
- Boroughs needed to move quickly to start consultation because of the timescales i.e. delivery to start in October 2022
- It was important for co-designed plans to reflect the current priorities and for London and Partners to similarly align their work

- It was important to have a three-year programme which allowed for spending profiles and three-year projects, as opposed to short term funds
- Sub regional relationships should be reviewed as not all boroughs were aligned to a sub-region.

The Strategic Lead confirmed that the spend profile within the Fund would be for three years, and that in the workshops many of the thematic links, for example between green and digital projects, had been raised, although there was concern that the available money limited what could be done in terms of pan London priorities. It was also confirmed that meetings were taking place with London and Partners, and it was important to focus on the Fund working for Londoners and businesses.

Members noted the report.

7. Retrofit London: lead authority arrangements

Mayor Glanville introduced the report, informing members that:

- The work was the result of a successful political team effort coordinated by officers in London Councils and partner boroughs
- there had been some inspiring examples of Retrofit work, for example between the boroughs of Enfield and Waltham Forest
- the work had been embedded with London housing directors, G15 and housing associations
- the next step for the programme was to establish a co-ordinating function; Waltham Forest had agreed to be the lead borough, who would host a project team funded by London housing directors. So far 24 boroughs had indicated their wish to be involved
- A partnership with LOTI was using Agile processes to look at how to solve Retrofit issues and barriers, including the use of technology and data.

Members supported the work and felt that the green agenda could be a driver for London's economic upturn. It was also a good example of London leading the

rest of the country in terms of successful projects. It was also noted that the work was positive in terms of addressing cost of living and job security issues because of the jobs and skills elements.

It was also mentioned that the City of London were launching a Skills for a Sustainable Skyline taskforce looking at construction, retrofit and maintenance skills gaps, which could link in with the Retrofit London programme.

Executive noted the report and agreed:

- To appoint LB Waltham Forest as the Lead Authority for delivery of the Retrofit London Programme Management Office, subject to (a) a formal agreement with LB Waltham Forest and (b) sufficient London local authorities subscribing to fund these arrangements, all in accordance with the provisions of the London Councils' Governing Agreement dated 13 December 2000
- To authorise City of London legal officers to engage with LB Waltham Forest regarding the negotiation and drafting of a suitable agreement between the two parties for the purposes of this arrangement.

8. London Councils – Consolidated Pre-Audited Final Results 2021/22

The Director, Corporate Resources introduced the report, informing members that:

- this report confirmed a £1.6 million surplus across three funding streams consistent with the forecast previously reported
- the bulk of the surplus comprised TEC underspends by the independent bus operators, lorry control schemes and Taxicard There was also a Grants Committee surplus of £56,000 due to underspends on payments to commissioned services, and a surplus of £555,000 on the core joint committee through underspends on employment costs and the commissioning budget offset by a deficit on tenant income

- the report included a request to establish a Shared Ambition impact fund to support delivery of the Shared Ambitions agreed with Leaders in an earlier agenda item
- the report also included requests to carry forward underspends on equalities and COVID recovery related work as well as contributions to the health-related partnership work; there was also a request to TEC Executive to carry forward an underspend on the review of the lorry control scheme
- These costs would be externally audited by Grant Thornton in October 2022, and the outcomes reported to Executive.

In response to a question, the Chief Executive confirmed that budget for the recovery work would have been spent by December, and that the additional resources required for the Shared Ambition fund covered health expertise from the NHS to support the wellbeing work and ICS social care integration, and work needing to be done with the sub regions regarding investment and working with Opportunity London. However, the budget would be subject to constant monitoring and making sure that reserves did not fall too low.

Executive noted the report and agreed:

- To approve the carry forward request of £286,000 into 2022/23 in respect of the equalities and Covid-19 recovery work (£86,000) and contribution to Health-related partnership working (£200,000)
- To approve the request to earmark £100,000 General Reserves in respect of the unspent provision for health-related partnership work included in the 2019/20 budget.

The meeting ended at 10:55.