

# Informal Meeting of Members of the Executive

8 November 2022: 9.30 am

**Location:** Microsoft Teams

**Contact Officer:** David Dent

**Telephone:** 020 7934 9753

**Email:** [David.dent@londoncouncils.gov.uk](mailto:David.dent@londoncouncils.gov.uk)

---

## Agenda item

1	Declarations of Interest*
2	Apologies for Absence:
3	Minutes of formal Executive Meeting held on 21 June 2022 (for noting)
4	Notes of the informal Executive held on 14 <sup>th</sup> September (for noting)
5	A New Secure Children's Home for London and Pan London Commissioning Vehicle
6	Developing a pan-London infrastructure framework
7	<ul style="list-style-type: none"><li>• 7A: Month 6 Revenue Forecast 2022/23</li><li>• 7B: London Councils Premises Update</li><li>• 7C: Proposed Revenue Budget and Borough Subscriptions and Charges 2023/24</li></ul>
8	Nominations to Outside Bodies
9	Urgencies

### **\* 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

## **Minutes of Meeting of the Executive**

**Tuesday 21st June 2022 09:30 am**

### **Present**

<b>Member</b>	<b>Position</b>
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 1<sup>st</sup> March 2022 – to note**

The minutes of the informal Executive meeting held on 1<sup>st</sup> 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.

## **Minutes of an Informal Meeting of the Executive**

**Wednesday 14<sup>th</sup> September 2022 15:00**

### **Present**

<b>Member</b>	<b>Position</b>
Cllr Ruth Dombey OBE	Vice Chair
Cllr Teresa O'Neill OBE	Vice Chair
Cllr Georgia Gould	Chair
Cllr Elizabeth Campbell	
Cllr Nesil Caliskan	
Cllr Darren Rodwell	Deputy Chair
Cllr Ian Edwards	
Cllr Jas Athwal	
Cllr Claire Holland	
Mayor Rokhsana Fiaz OBE	
Christopher Hayward	Vice Chair

London Councils officers were in attendance.

The Chair welcomed members to the meeting. She marked the sad loss of Queen Elizabeth II and sent sincere condolences and noted the efforts being made across London to ensure that the occasion was properly marked.

#### **1. Declarations of interest**

There were no declarations of interest.

#### **2. Apologies for absence and announcement of deputies**

Apologies for absence were received from Mayor Philip Glanville (LB Hackney)

#### **3. Minutes of the informal Executive Meeting held on held on 21<sup>st</sup> June 2022 – to note**

The minutes of the informal Executive meeting held on 21<sup>st</sup> June 2022 were noted.

#### **4. Local Government Finance update**

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

- The report comprised two elements; correspondence with Paul Scully; and the second part the submission to the emergency budget
- In terms of correspondence sent to Paul Scully in his capacities as Minister of State for Levelling Up, Housing and Communities, and more recently as Minister for London, a response had been received. In the response it was hoped to provide certainty as soon as possible via the Local Government Finance settlement and a funding reform timetable. It was also confirmed that no quantum had yet been agreed in terms of the Homelessness Prevention legislation
- The intention of the 2 page response was to lobby in terms of the forthcoming emergency fiscal event, the forthcoming party conferences and the full budget in the autumn. Members had already made a number of helpful comments on the paper at the EO meeting on 12 September

Members made the following points concerning the response:

- There should be a delay to proposed social care funding reforms given their complexity
- boroughs should not have to meet the costs of the pay rises which were higher than budgets forecast
- costs of energy should be reflected in other services like school transport and waste disposal
- There needed to be a longer-term solution to the DSG statutory override
- Energy cost support for businesses needed to extend beyond six months
- it was important to emphasise that, as part of fiscal devolution, that boroughs be encouraged to creatively approach the issues of finances
- There were good examples of how boroughs had used the Public Works Loan Board which could be used to demonstrate innovative funding.

- Cost of Living – the paper should include specific asks around data sharing with utility companies in terms of highlighting vulnerable households for the Universal Credit subsidy and other packages

The Chair thanked London Councils for the work done regarding the submission. Members noted the report.

## **5. Narrative Discussion**

The Chair welcomed Nick Kilby from Cratus Communications, who had been developing a shared narrative under the London's Voice aspect of the Shared Ambitions programme, to update members on the work. Members were informed that:

- The narrative would inform all future London Councils communication both formal and informal, and was compiled following meetings with members and senior managers at London Councils
- The wording aimed to find a fresh language which reflected the changed views of how London Councils could collaborate going forward and the shared values of the organisation
- London Councils was now seen more as a collective local government organisation than a membership one with the opportunity of using its constitution in a more dynamic and shared way
- In terms of collaboration, the new narrative recognised the potential for new relationships with the Mayor, the NHS and the business community
- London Councils had a wide number of external customers/service users and there was an opportunity to be of more use to their needs
- In terms of the London media, London Councils should be the provider of facts that drive information
- The strapline 'leading with solutions' encapsulated the views expressed

Members supported the work and made the following points:

- There was some concern expressed at the use of the word 'collective'
- Mentions of 'the leafy outer boroughs' should be removed
- The collaborative approach among equal partners should be emphasised

- The reference to 'health inequalities before 2010' should be changed
- Deprivation and inequality should both feature in the narrative; the draft should be reviewed to consider this
- The audience for the narrative should be further defined to address the way in which it was to be delivered to Londoners
- It was felt that Opportunity London could be more strongly highlighted as an example of collaboration
- The present Shared Ambitions should be defined more clearly, accepting that the Ambitions were subject to change

Members noted the report.

## **7. Asylum Dispersal arrangements**

At this point of the meeting, representatives from all London boroughs except xxxx joined the meeting.

The Strategic Lead for Health and Adult Social Care presented a set of slides to members, who were informed that:

- The discussions were taking place around a national move to regional dispersal models, where all regions were asked to agree a favoured dispersal model, or accept the Government backstop when implemented
- Each region has been given an allocation; in London this meant 6,344 additional bedspaces. Positive progress had been made with the Home Office with a view to an overall reduction in asylum seekers to around 12,700
- Leaders had discussed the issue in July and looked at three options, including the multi factor model which had generated the most feedback. There was a general view of wanting to avoid the Government backstop option. Detailed modelling on the multi factor option had been shared with boroughs in August and comments had been received

- A threshold of 1 in 200 (0.5%) above which no borough would be expected to take any new allocations was also suggested as part of the option; this had not been opposed by boroughs
- A draft commentary with general principles was also circulated which would be submitted with any preferred option
- Around two thirds of boroughs had fed back with general, but not universal support for the multi factor model; boroughs also favoured a back up plan in the event of disagreement, using a population based approach
- Consideration had been given to housing feedback, including reliance on the private rented sector, the lack of supply of affordable accommodation, and also the Clearsprings approach to procurement and the issues of out of borough placements;
- Following feedback, it was noted that the multi factor model would be updated to include Afghan resettlement data within overall refugee data; 100% weighting in favour of the receiving borough for out of borough placements; and the use of ONS data instead of Census data

Members broadly supported the multi factor model but made the following points:

- It should be emphasised, accompanying the London Councils response, that sufficient funding must be given to support refugees and that there should be a partnership between Government and boroughs with clear communication
- The partnership should be underlined by principles of fairness, recognising the complexity and challenges of the task
- There was concern that data supplied to boroughs may, in some cases, be incorrect and should be investigated
- Consideration should be given to boroughs establishing their own backstop to assist if any one borough were facing an accommodation emergency
- Any option should include a weighting, as a per capita payment per asylum seeker would result in affordability issues depending on their location in London

It was agreed that while in principle the multi factor model was generally favoured some more work should be done to look at issues regarding the borough based statistics, where concerns had been raised, and also to incorporate the priorities expressed by members in terms of housing and overall Government commitments.

The meeting ended at 17:00.



# Briefing for London Councils Executive

## A New Secure Children's Home for London and Pan-London Commissioning Vehicle

8 November 2022



# A new London Secure Children's Home

## To improve outcomes for London's most vulnerable children

---

Analysis and stakeholder engagement undertaken as part of The London Secure Children's Home Review, provided strong evidence of a significant requirement for secure provision with step down accommodation in London in order to better support and improve outcomes for some of London's most vulnerable CYP.

### What is a secure children's home?

A home for children with particularly complex needs who have a history of absconding / are likely to abscond and are at significant risk of causing harm to themselves or others, including risk to life.

- Used when **no other type of placement will keep the child safe.**
- A locked environment where liberty is restricted.
- Children are supported through integrated care, health and education services.
- Aims to restore some stability to their lives.

**London's children** who require a secure welfare placement include those with the following complex needs:

- **Self harm**
- **Violence to others**
- **Having been sexually exploited**
- **Associating with dangerous adults**
- **Gang affiliation**
- **Mental health conditions**
- **Learning disabilities**
- **Substance misuse**
- **Offending behaviour**

# A new London Secure Children's Home: Ambition / Vision

## Smart Design



- High occupancy with young peoples' needs met
- Considered the details of the building
- Changed the way we make high risk decisions about young people
- Clear leadership and decisive decisions
- Improved outcomes for children

## Clear goals and whole system ownership of risk



- The right children, in the right establishment at the right time, receiving the right interventions
- Design of the building meets needs with uniformity and is conducive to the child's needs
- The system build is not driven by worst scenarios
- Whole system collaboration and decision making

## London children are close to home, family, professional



- Positive outcomes are achieved collaboratively by the SCH and outreach work
- We prevent secure placements and only CYP who absolutely need it are resident
- The system and pathways are improved – this is more than just the building
- All local authorities benefit and take ownership of the liability

## A lasting and positive impact for children and their family



- Staff are motivated and happy - morale and retention is good
- Efficiency and effectiveness allows demand to be met and risk to be managed
- A flexible environment enables operational adaptability
- Step down is critical to continue positive progress
- Connected therapy inside and outside of the SCH

# A London based secure welfare provision: Why?

---

- There is **no secure children's home in London** and there is a national shortage of provision so places are often not available when referrals are made.
- Despite their complex needs, London's children who require secure welfare provision are often **placed the furthest from their home – on average 192 miles away**.
- Children lose regular contact with family, friends and their community.
- The London Secure Children's home Review identified that exit / move planning from secure placements is often rushed and options for transitioning out of secure care are limited, impacting on the outcomes that can be achieved for the child.
- Pan-London analysis pre-Covid (eight-month period October 2017 to May 2018) highlighted that **an average of 21 London children were in Secure Welfare provision at any one time**.
- Further analysis post-Covid has indicated a fall in numbers, with an average of 12 children placed in the eight-month period between December 2021 and July 2022 however, in the same period, 24 children were referred but not offered a place.
- Children who cannot be placed in a secure children's home are **often placed in less suitable and sometimes higher cost alternatives** - often in excess of **£10k per week and up to £50k per week**.
- Without a secure placement, some of these children are placed in **unregulated placements under deprivation of liberty orders**.

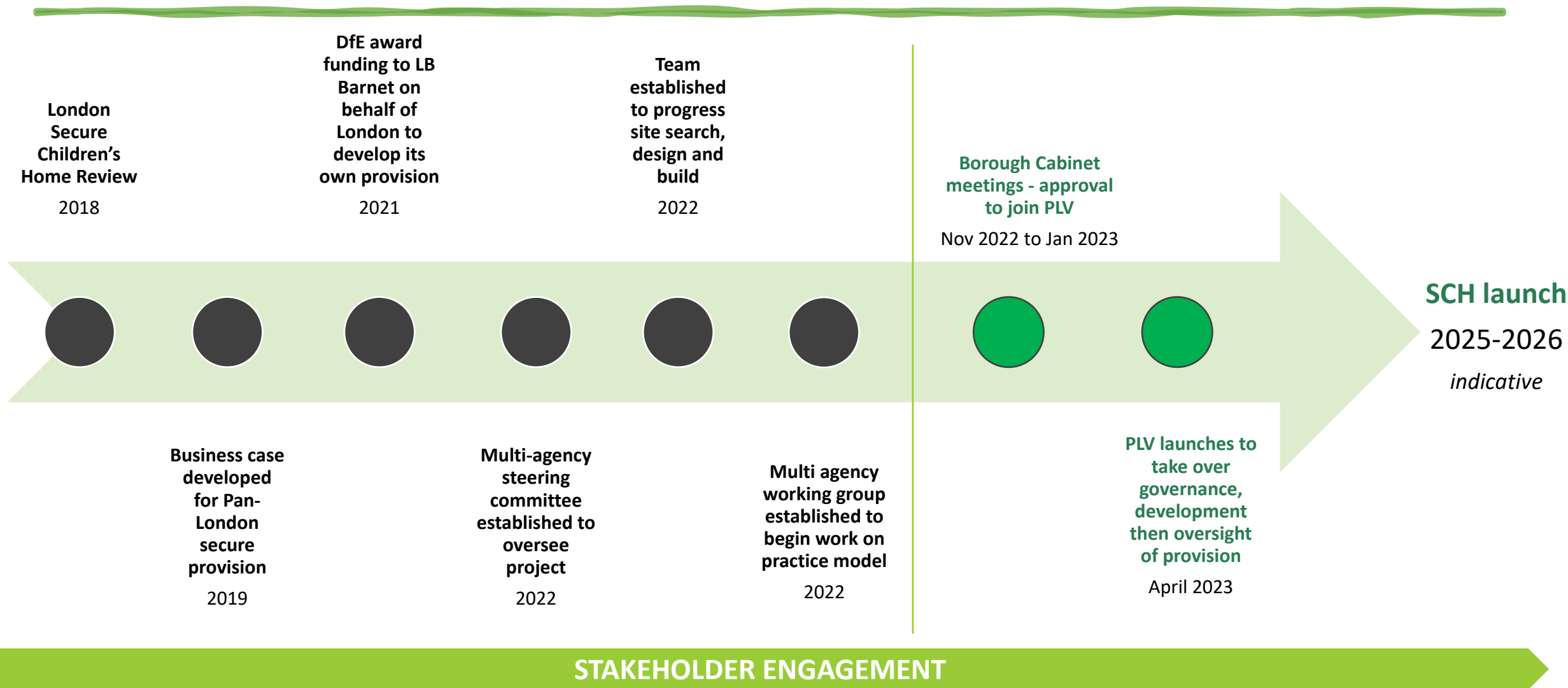
# Item 5 An innovative approach to secure welfare provision

developed and managed by London LAs and partners through a Pan-London commissioning vehicle (PLV)

---

- DfE has awarded funding for the development of a **24-bed secure welfare provision with step down facility in London.**
- Circa **£3 million for development.**
- **£50+ million for capital costs.**
- The overall responsibility for this project, with its associated risks, is currently held by one LA – Barnet.
- It is proposed that **a company, owned by London local authorities (Pan-London Vehicle),** should be established to **oversee the development and running of the new provision and share the associated risks and benefits.**
- In the long term, it is intended that **the PLV's remit will include other key pan-London commissioning arrangements** that will improve the lives of London's children and young people.
- **London LAs are being asked to seek approval from their Cabinets to join the PLV** for a five-year period from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2028. Once the provision has launched, it is proposed that membership of the PLV will be charged at a fixed cost of £20K per year, subject to inflation adjustment. During the development phase, member LAs will explore alternative models for funding the cost of running the PLV that does not require annual subscription.

# Timeline / progress to date



# Stakeholder engagement

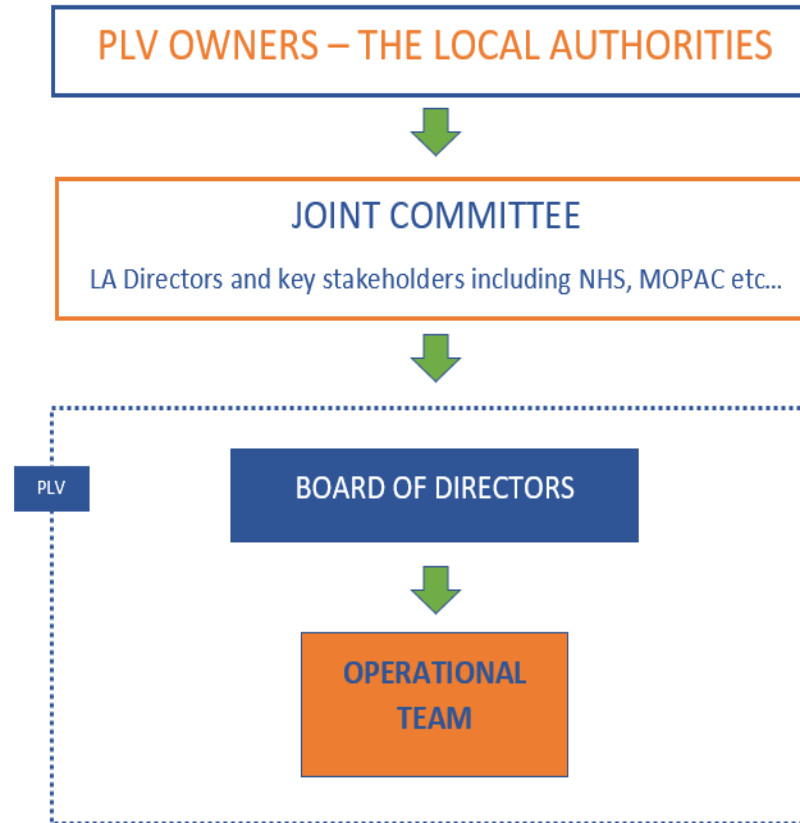
## Engaged throughout the development of the business case / recent proposals

- ALDCS
- London Councils' - Executive and Leaders' Committee
- Society of London Treasurers
- Local authority children's social care and youth offending teams
- Department for Education
- The Mayor's Office for Policing and Crime,
- OFSTED,
- Ministry of Justice
- Health
- Third sector organisations
- Children and young people with lived experience

## Key briefings – September / October 22

- ALDCS
- Local authority commissioners
- CS Portfolio Lead - Cllr Ian Edwards
- Shadow CS Leads - Cllr Grace Williams and Cllr Penelope Frost
- London Lead Members for Children's Services
- Letter to Council Leaders
- Society of London Treasurers

# PLV: Structure





# PLV: Benefits and costs - first 5 years

	2023 to 2028	
	Pre-SCH launch service development phase	Post SCH launch service delivery phase
Cost to member LAs	No cost to LAs – covered by DfE grant	£20K p/a <i>(unless alternative model for funding the PLV is agreed during the development phase)</i>
Benefits for member LAs	<ul style="list-style-type: none"> <li>• Pan-London collaboration to develop provision</li> <li>• Project governance</li> <li>• Input into refreshed business case</li> <li>• Develop / agree practice model and operating model including but not limited to:               <ul style="list-style-type: none"> <li>○ approach to working with children, young people and their families</li> <li>○ safeguarding and risk management arrangements</li> <li>○ quality assurance arrangements</li> <li>○ commissioning approach / staffing model</li> <li>○ service pricing structure</li> <li>○ process for managing referrals and placement allocation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Improved outcomes for LAs most vulnerable children</li> <li>• LAs vulnerable children placed closer to home, family, community</li> <li>• Priority access for LA to secure welfare and step-down / transition placements - at a lower cost compared to non-member LAs</li> <li>• Reduced need for future high cost placements</li> <li>• Reduced travel time for LAs social workers and other professionals involved</li> <li>• Reduced spend by LA on secure transport</li> <li>• Reduced reliance on private care placement market including for high cost and bespoke and / or unregulated arrangements</li> <li>• Service governance</li> <li>• Ongoing development</li> <li>• Delivery of other priority commissioning projects</li> </ul>

# SCH project: Key risks / mitigation

Low occupancy levels

- ✓ Robust management and oversight of occupancy levels
- ✓ Available places added to national pool to be purchased by out of London LAs

Unsatisfactory outcome from statutory inspections

- ✓ Recruitment of experienced Registered Manager and sufficient levels of relevant experience in similar provision across SCH team
- ✓ Regular and robust monitoring and quality reviews

Child serious injury or death

- ✓ Robust practice model, risk management policies, procedures and training
- ✓ Rigorous performance reviews and effective management oversight
- ✓ Adequately experienced SCH managers and staff

Adverse publicity / reputational damage due to inability to effectively manage aforementioned or other risks

- ✓ Effective communication management strategy
- ✓ Robust practice model, risk management policies, procedures and training
- ✓ Rigorous performance reviews and effective management oversight
- ✓ Adequately experienced SCH managers and staff

# Recommendations to Cabinets

(Nov 22 to Jan 23 meetings)

To agree that **XXXX** local authority:

## Part 1

- **Becomes a member of a not-for-profit company**, limited by guarantee, provisionally to be known as the Pan London Vehicle, to:
  - a. **develop and then oversee the running of London's secure children's home provision for a five-year period from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2028**, with a break-point after three years once the refreshed business case has been developed to include service pricing structure, commissioning approach, practice model and location. Once the provision has launched, membership will be at a fixed annual cost of £20K (subject to inflation adjustment), unless an alternative model for funding the PLV is agreed by members during the development phase *and*
  - b. **collaborate with other PLV members on future joint commissioning programmes.**
- **Commits in principle to joint oversight and risk/benefit sharing, through the PLV**, of the secure children's home provision, for a five-year period to 31<sup>st</sup> March 2028 (*with three year break point*), including the build, service development and service commissioning phases, subject to ratification after the revision of the SCH business case, and renewable on a ten yearly cycle thereafter, with break-point after five years.

## Part 2

- **Delegates authority to XXXX**, in consultation with the Director of Finance and Council's Monitoring Officer to:
  - a. **finalise the legal documents** required to set up, join and run the PLV and
  - b. **make the final determination on the Council's membership of the PLV**, following completion of the revised SCH business case and, if appropriate, enter into all the legal agreements, contracts and other documents on behalf of the Council required to implement and run any aspect of the PLV arrangements.

## LIIA contacts:

[queensley.uzomba@londoncouncils.gov.uk](mailto:queensley.uzomba@londoncouncils.gov.uk)

[frank.offer@Londoncouncils.gov.uk](mailto:frank.offer@Londoncouncils.gov.uk)

Visit the [LIIA website](#)

Follow [LIIA on Twitter](#)



# Executive

## Developing a pan-London infrastructure framework    Item no: 6

**Report by:** Dianna Neal      **Job title:** Strategic Lead: Enterprise, Economy and Skills  
**Date:** 8 November 2022  
**Contact Officer:** Dianna Neal  
**Telephone:** 020 7934 9819      **Email:** [Dianna.Neal@londoncouncils.gov.uk](mailto:Dianna.Neal@londoncouncils.gov.uk)

---

**Summary:** This paper provides an update on developing a pan-London infrastructure framework, which is a key project within London Councils' Shared Ambitions and the London Economic Framework.

**Recommendations:** Executive is asked to note and comment on this report.

# Developing a pan-London infrastructure framework

## Background and context

1. In January 2021 London Councils commissioned Metro Dynamics to develop a strategic approach to economic recovery across London. The resulting report included a recommendation to develop a London wide local infrastructure plan and a project prioritisation framework. Other cities across the UK have such a plan and it was considered important for attracting the necessary investment in London's infrastructure at a time when government support is likely to be limited. The intention is to have a clear set investment-ready propositions to be able to take to the market, including to key annual events like MIPIM.
2. This work informed the economic framework for London developed by London Councils and the GLA, which included a commitment to develop a pan-London infrastructure framework. London Councils Shared Ambitions also set out a commitment to 'Develop London's infrastructure proposition via an infrastructure plan... and Opportunity London'. Opportunity London is a co-ordinated campaign to attract investment in infrastructure and housing to London and across all London boroughs.
3. London Councils has appointed Metro Dynamics<sup>1</sup> to lead the development of the framework, working closely with boroughs, sub-regional partnerships (SRPs), the GLA and Transport for London (TfL). The framework will also draw on the work of the Cities Commission for Climate Investment (3Ci).

## Objectives of the framework

4. The framework will aim to:
  - Articulate a clear and shared view of infrastructure projects with strategic value for London
  - Develop a compelling narrative that sets out a clear vision for the role for infrastructure in building an inclusive and sustainable economy
  - Identify new partnership approaches and financing solutions to delivering major projects in a complex financial and political context

---

<sup>1</sup> Metro Dynamics (MD) is a consultancy advising those who lead, invest or do business in local economies.

- Build up stakeholder support and buy-in to the process and its outputs, including from GLA, SRPs, and individual boroughs to project a collective image that London is a positive place to do business.
5. The product should be a map of investment-ready and strategically important projects across London, alongside options for funding and financing projects. This is an ambitious project if we are to secure buy-in from boroughs, SRPs, the GLA and TfL.

### **Progress to date**

6. Following discussions with key stakeholders, the project will use the National Infrastructure Commission definition of infrastructure: transport, energy and waste, digital and data and water and flood management. The framework will have greater emphasis on infrastructure needed to enable strategic housing development as well as employment sites.
7. The following broad principles have been set out to start to identify those projects to include in the framework:
- Embed sustainability, decarbonisation, and climate resilience in their approach, contributing in the medium to long-term to London's net zero journey
  - Have either a multi-borough footprint or a multi-borough impact (e.g. unlocking wider development or employment opportunities)
  - Unlock significant employment and/or housing sites
  - Enable the delivery of unutilised planning consents
  - Enhance the relationship between infrastructure delivery and strategic spatial planning
  - Be sufficiently developed as to indicate their deliverability, even if specific funding requirements are outstanding.
8. A call for projects has gone out to boroughs via the four Sub-Regional Partnerships (SRPs). This is to ensure that the process of developing the framework builds on previous work that SRPs have carried out in identifying strategically significant infrastructure projects across their areas. The project will also draw on schemes already submitted for the 3Ci work on net zero project pipelines. Boroughs have been asked to submit projects for inclusion in the framework by early November.

## **Next steps**

9. The main next steps for the project are:

- Project collation and sifting to start to build the framework
- Developing the narrative for the framework, including the spatial narrative and mapping
- Investment, delivery, and funding thinking including expert input and investor engagement in early new year.

10. Throughout the project there will continued iteration with key stakeholders, including Leaders/Mayors. The framework should be finalised by March 2023.

## **Recommendations**

11. Executive 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



# Executive

## Month 6 Revenue Forecast 2022/23

Item no: 7A

**Report by:** David Sanni      **Job title:** Director of Corporate Resources  
**Date:** 8 November 2022  
**Contact Officer:** David Sanni  
**Telephone:** 020 7934 9704      **Email:** David.sanni@londoncouncils.gov.uk

### Summary

This report summarises actual income expenditure recorded in the accounts as at 30 September 2022 (Month 6), provides a projected outturn figure for the year and highlights any significant forecast variances against the approved budget. A separate forecast is provided for each of London Councils three funding streams. The Executive is also provided with an update on London Councils reserves. The summary forecast outturn position is as follows:

	<b>M6 Actual</b>	<b>Revised Budget</b>	<b>Forecast</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Total expenditure	122,736	248,769	245,136	(3,633)
Total income	(122,435)	(246,082)	(243,520)	2,562
Use of reserves	-	(2,687)	(2,687)	-
<b>Net deficit/(surplus)</b>	<b>301</b>	<b>-</b>	<b>(1,071)</b>	<b>(1,071)</b>
Net expenditure by Committee				
Grants	(367)	-	(3)	(3)
Transport and Environment	658	-	(1,090)	(1,090)
Joint	10	-	22	22
<b>Net deficit/(surplus)</b>	<b>301</b>	<b>-</b>	<b>(1,071)</b>	<b>(1,071)</b>

**Recommendations** The Executive is asked to note the overall forecast surplus as at 30 September 2022 (Month 6) of £1,071 million and note the position on reserves as detailed in paragraphs 12-13.

## Month 6 Revenue Forecast 2022/23

### Introduction

1. London Councils revenue expenditure budget for 2022/23, as approved by the Leaders' Committee in December 2021, was £254.846 million. The budget was subsequently revised to £248.769 million due to the following:
  - Confirmation of payments in respect of concessionary fares including payments to the Rail Delivery Group resulting in a reduction to the budget of £6.695 million;
  - Confirmation of the total Taxicard budget resulting in a budget reduction of £190,000;
  - The decision of TEC to bring forward underspends of £141,000 that arose in 2021/22 into the current year;
  - The use of prior committed reserves by TEC to fund expenditure on systems development of £281,000; and
  - Carry forward of 2021/22 Joint Committee underspends totalling £386,000 relating to the London's recovery and contribution to the health-related partnership agenda.
2. Table 1 below details the overall consolidated forecast position, with Tables 2-4 showing the position for the three separate funding streams.

**Table 1 – Consolidated Income and Expenditure Forecast 2022/23, as at 30 September 2022.**

	<b>Grants</b>	<b>TEC</b>	<b>Joint</b>	<b>Consolidated</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Total Expenditure	6,674	228,389	10,073	245,136
Total Income	(6,677)	(227,901)	(8,942)	(243,520)
Use of Reserves	-	(1,578)	(1,109)	(2,687)
<b>Surplus</b>	<b>(3)</b>	<b>(1,090)</b>	<b>22</b>	<b>(1,071)</b>

3. The overall forecasted surplus of £1.070 million in analysed and commented on in more detail below.

## Revenue Forecast Position as at 30 September 22 – Grants Committee

4. Table 2 below summarises the forecast outturn position for the Grants Committee:

**Table 2 – Summary Forecast – Grants Committee**

	<b>M6 Actual</b>	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>
<b>Expenditure</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Employee Costs	134	271	289	18
Running Costs	7	19	10	(9)
Central Recharges	73	145	142	(3)
<b>Total Operating Expenditure</b>	<b>214</b>	<b>435</b>	<b>441</b>	<b>6</b>
S.48 Commissioned services	2,698	6,173	6,173	-
London Funders Group	60	60	60	-
<b>Total Expenditure</b>	<b>2,972</b>	<b>6,668</b>	<b>6,674</b>	<b>6</b>
<b>Income</b>				
Borough contributions towards commissioned services	(2,840)	(6,173)	(6,173)	-
Borough contributions towards the administration of commissions	(495)	(495)	(495)	-
Interest on Investments	(4)	-	(9)	(9)
Transfer from Reserves	-	-	-	-
<b>Total Income</b>	<b>(3,338)</b>	<b>(6,668)</b>	<b>(6,677)</b>	<b>(9)</b>
<b>Net Expenditure</b>	<b>(367)</b>	<b>-</b>	<b>(3)</b>	<b>(3)</b>

5. The projected surplus of £3,000 will be monitored throughout the year however, factors that impact on the overall net expenditure to budget which is explored in more detail in the narrative below, is broadly split between the following:

- A projected overspend on employee costs of £18,000 where a full complement of administration and other support staff are forecasted to be in place for the year. The overspend is partly due to the conclusion of an externally funded project which contributed towards staff and administration costs. This is, however, mitigated by a small reduction in the anticipated central recharges of £3,000;
- An underspend of £9,000 on general running costs, made up of several small underspends across a number of budgets; and
- An additional sum of £9,000 from investment income is forecast to be received on Committee reserves, not previously budgeted for.

6. At the 6-month stage of the year there are four payments to commissioned services being held back totalling £389,000. However, it is anticipated that these payments will be released once payment requirements have been met in the following quarter. Overall, the programme is not forecasted to underspend, however, officers will continue to review financial information relating to each project during the year and the audited accounts at the end of the year. It is possible that underspends will be identified as the year progresses, which will be reflected in the monitoring reports presented to the Grants Committee during 2022/23.

### Revenue Forecast Position as at 30 September 2022 – Transport and Environment Committee

7. Table 3 below summarises the forecast outturn position for the Transport and Environment Committee:

**Table 3 – Summary Forecast – Transport and Environment Committee**

	<b>M6 Actual</b>	<b>Revised Budget</b>	<b>Forecast</b>	<b>Variance</b>
<b>Expenditure</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Employee Costs	347	823	740	(83)
Running Costs	164	324	254	(70)
Central Recharges	268	536	536	-
<b>Total Operating Expenditure</b>	<b>779</b>	<b>1,683</b>	<b>1,530</b>	<b>(153)</b>
Payments in respect of Freedom Pass and Taxicard	107,521	218,925	214,991	(3,934)
Direct Services	6,584	10,634	11,216	582
Research	-	40	40	-
System Developments	121	281	281	-
Other 3 <sup>rd</sup> Party Payments	166	345	331	(14)
<b>Total Expenditure</b>	<b>115,171</b>	<b>231,908</b>	<b>228,389</b>	<b>(3,519)</b>
<b>Income</b>				
Contributions in respect of Freedom Pass and Taxicard	(107,813)	(218,989)	(215,555)	3,434
Income for direct services	(6,576)	(11,079)	(12,101)	(1,022)
Core Member Subscriptions	(49)	(97)	(97)	-
Interest on Investments	(9)	-	(18)	(18)
Other Income	(47)	(74)	(93)	(19)
TfL/TEC Environment Initiatives	(19)	(91)	(37)	54
Transfer from Reserves	-	(1,578)	(1,578)	-
<b>Total Income</b>	<b>(114,513)</b>	<b>(231,908)</b>	<b>(229,479)</b>	<b>2,429</b>
<b>Net Expenditure</b>	<b>658</b>	<b>-</b>	<b>(1,090)</b>	<b>(1,090)</b>

8. The projected surplus of £1.090 million is made up broadly of the following:

- A projected overall surplus of £61,000 in respect of TEC parking traded services, after considering an estimate of the level of borough/TfL/GLA usage volumes during the second quarter.
- An additional overspend of £168,000 on the cost of administering the Hearing Centre at Chancery Exchange where the appeals are heard. This is largely as a result contract inflationary increases, albeit some of this increase is met by additional fixed costs recovered from TfL in relation to RUCA;
- Based on income collected to date, receipts from Lorry Control PCN income are forecast to exceed the £1 million budget by £300,000;
- Included within the £71,000 underspend on Lorry Control Administration is a budget of £141,000 which was carried forward from 2021/22 to contribute towards a review of the service. Due to the timing of this work, some of this will remain unspent, therefore a carry forward request will be made to members at the year-end in order to implement the remaining recommendations from the review in 2023/24.
- There is a forecasted £83,000 underspend on non-operational staffing costs. This is inclusive of the maternity provision and member allowances, which will continue to be monitored throughout the year;
- The level of trips made in the claims submitted by the independent bus operators has not recovered to the extent anticipated post-pandemic, which was reflected when setting the 2022/23 budget. Trip data for the first six months, which takes into account two operators leaving the scheme, indicates that expenditure is forecast to be £700,000 compared to an annual budget of £1.1 million, a projected reduction of £400,000. Details of the third quarter year claims will be reported to this Committee as part of the month 9 forecast report;
- A projected overspend of £115,000 in respect of the £1.518 million budget for the issuing/reissuing costs of Freedom Passes, in part due to inflationary pressure on expenditure and contracts within this budget. This, however, is based on invoices received and activity in the first half of the year so may fluctuate as the year

progresses. This budget will be monitored and managed throughout the financial year;

- Based on income collected to date, receipts from replacement Freedom Passes continue to recover from the pandemic and its associated lockdowns. The 2022/23 revenue budget was increased by £150,000 to reflect this recovery. Of the £750,000 annual budget, forecast receipts are anticipated to be approximately £919,000 net of bank charges, resulting in a surplus of £169,000 which, once reduced by the projected reissue budget overspend, will be applied to the TEC Freedom Pass Renewal Specific Reserve;
- An underspend on general running costs, not attributable to administrative services of £70,000. This is the result of a number of small underspends across a large number of budget lines;
- A forecasted amount of interest on investments of £18,000 for which there is no budgetary provision.
- In addition to the above variances there has been a significant reduction in the level of taxicard expenditure, based on actual trips taken to date. Expenditure against the £10.257 million budget is forecasted to be £6.672 million. This reduction in expenditure is matched with a corresponding decrease in income and therefore has no impact on London Councils net outturn for the year. £2.257 million of these savings will be passed back to the Boroughs.

## Revenue Forecast Position as at 30 September 2022 – Joint Committee Core Functions

9. Table 4 below summarises the forecast outturn position for the Joint Committee core functions:

**Table 4 – Summary Forecast – Joint Committee core functions**

	<b>M6 Actual</b>	<b>Revised Budget</b>	<b>Forecast</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Expenditure</b>				
Employee Costs	2,495	5,468	5,245	(223)
Running Costs	1,650	3,384	3,855	471
Central Recharges	62	123	123	-
<b>Total Operating Expenditure</b>	<b>4,207</b>	<b>8,975</b>	<b>9,223</b>	<b>248</b>
Commissioning and Research	84	400	339	(61)

Health-related partnership work	148	400	200	(200)
Improvement and Efficiency work	50	182	125	(57)
Digital Enablement	-	100	50	(50)
YPES Regional/Provider Activities	25	50	50	-
Recovery Fund	80	86	86	-
<b>Total Expenditure</b>	<b>4,594</b>	<b>10,193</b>	<b>10,073</b>	<b>(120)</b>
<b>Income</b>				
Income for direct services	(102)	(101)	(101)	-
Core Member Subscriptions	(2,568)	(5,136)	(5,136)	-
Borough contribution towards YPES payments	(180)	(180)	(180)	-
Borough contribution towards LCP payments	(270)	(496)	(496)	-
TEC Transfer for Environmental initiatives	(166)	(345)	(331)	14
Interest on Investments	(23)	(75)	(50)	25
Other Income	(84)	(369)	(266)	103
Central Recharges	(1,191)	(2,382)	(2,382)	-
Transfer from Reserves	-	(1,109)	(1,109)	-
<b>Total Income</b>	<b>(4,584)</b>	<b>(10,193)</b>	<b>(10,051)</b>	<b>142</b>
<b>Net Expenditure/(Income)</b>	<b>10</b>	<b>-</b>	<b>22</b>	<b>22</b>

10. There is a projected deficit of £22,000 forecasted in respect of the joint committee core functions, largely due to the net impact of:

- Employee costs are projected to underspend by £223,000, primarily due to deferring recruitment to certain vacant posts or time lag during recruitment campaigns over and above the vacancy provision built into the budget, along with an underspend on the maternity budget provision.
- There is an anticipated overspend of £471,000 on running costs against an annual budget of £3.384 million. Whilst there are significant pressures on current year running costs of London Councils due to inflationary pressures on expenditure and contracts, this overspend is predominantly driven by an increase to the Southwark Street leaseholder costs. The reversionary lease for the Southwark Street property contains a provision for a rent review to be carried out on 26 March 2021. The City of London commissioned a firm of property advisors to carry out the review. London Councils officers have been recently advised of the

outcome of the review which proposed to increase the current annual rent by £193,000 from £975,000 to £1.168 million. London Councils officers are currently in discussion with the City of London about the proposed rent increase, therefore this amount may change. However, in order to be prudent, an amount of £386,000 has been included in the forecasted expenditure covering the two-year period from March 2021 to March 2023.

- Commissioning and Research is made up of a £400,000 budget on commissioning and £400,000 budget on Health-related partnership working of which £300,000 was brought forward from previous years as agreed by members in July 2022. Expenditure is forecasted to be £539,000, with £339,000 attributed to commissioning and £200,000 to health. Costs of potential projects are inherently difficult to predict therefore members will be advised throughout the year on how expenditure against this budget is developing. A request will be made to members to carry forward any unspent Health budget to 2023/24 should an underspend occur in the current year.
- A forecasted amount of interest on investments of £50,000 which is £25,000 below the approved budget due to fluctuations on interest rates and cash balances.
- Other income is forecasted to be £103,000 behind budget for the year, which is due to the residual impact of Covid-19 on income budgets such as room booking income and additional tenant income as Southwark Street.

### **Externally Funded Projects**

11. The externally funded projects are estimated to have matched income and expenditure of just over £5 million for 2022/23. This is based on a review of the indicative budget plans held at London Councils by the designated project officers, which confirms that there is no projected net cost to London Councils for running these projects during 2022/23; any underspend on the external funds received will be carried forward to be utilised in the next financial year.



## Reserves

12. The forecast reserves position for each of the three funding streams for the current year and beyond is illustrated in Table 5 below:

**Table 5 – Forecast reserves after all current commitments**

	<b>Transport and Environment Committee (£000)</b>	<b>Joint Committee (£000)</b>	<b>Grants Committee (£000)</b>	<b>Total (£000)</b>
General Reserve at 1 April 2022	3,826	5,916	745	10,487
Specific reserve at 1 April 2022	1,944	-	-	1,944
<b>Provisional reserves at 1 April 2022</b>	<b>5,770</b>	<b>5,916</b>	<b>745</b>	<b>12,431</b>
Committed in setting 2022/23 budget	(1,156)	(723)	-	(1,879)
Balances b/f into 2022/23	(141)	(286)	-	(427)
Health-related Partnership work	-	(100)	-	(100)
Provisional other commitments for 2022/23 -2023/24	(539)	(100)	-	(639)
Projected surplus/(deficit) for the year	1,090	(22)	3	1,071
<b>Uncommitted reserves</b>	<b>5,024</b>	<b>4,685</b>	<b>748</b>	<b>10,457</b>

13. The current level of commitments from reserves, as detailed in Table 5, come to £3.045 million over the short-medium term and are detailed in Table 6 below:

**Table 6 – Commitments from Reserves 2022-2025**

	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>Total £000</b>
Balances b/f from 2021/22	427	-		427
Approved transfer from JC general reserves	623	-	-	623
Approved transfer from TEC general reserves	811	-	-	811
Health-related partnership work	100	100	100	300
TEC priority projects	345	539	-	884
<b>Totals</b>	<b>2,306</b>	<b>639</b>	<b>100</b>	<b>3,045</b>

## **Conclusions**

14. This report highlights the projected outturn position for the current year, based on transactions undertaken up until 30 September 2022 (month 6), together with known future developments. At this point, a forecast underspend of £1.070 million is projected for 2022/23 across the three funding streams. Uncommitted reserves are currently projected to be just under £10.5 million by the end of the current financial year.

15. The next forecast will be presented to the Executive in February, which will highlight the projected position at the third quarter of the 2022/23 financial year.

## **Recommendations**

16. The Executive is asked to note the overall forecast surplus as at 30 September 2022 (Month 6) of £1.070 million and note the position on reserves as detailed in paragraphs 12-13.

---

## **Financial Implications for London Councils**

No additional implications other than detailed in the body of the report.

## **Legal Implications for London Councils**

None.

## **Equalities Implications for London Councils**

None.

## **Appendices**

None.

## **Background Papers**

London Councils Revenue Forecast File 2022/23.

# Executive

## London Councils Premises Update

Item no: 7B

**Report by:** David Sanni      **Job title:** Director, Corporate Resources  
**Date:** 8 November 2022  
**Contact Officer:** David Sanni  
**Telephone:** 020 7934 9704      **Email:** david.sanni@londoncouncils.gov.uk

---

### Summary

This report provides an update on work undertaken to establish London Councils future premises requirements. It informs members of the outcome of the review of workspace needs which was undertaken to consider the impact of the COVID-19 pandemic on the use of existing office space. It sets out proposals to ensure that the organisation's future workspace supports the delivery of the Shared Ambitions and reduces the reliance on the use of General Reserves to set balanced budgets.

### Recommendations    The Executive is asked to:

- note the outcome of the work done by Moveworks, workspace consultancy, to establish London Councils floorspace requirements;
- note the potential financial benefits of moving to a smaller premises; and
- agree that discussions can be held with officers of the City of London to explore possible options for the termination of the Southwark Street lease and a potential new lease for a different property.

# London Councils Premises Update

## Introduction

1. During the summer of 2021, the Group Leaders of London Councils reflected on their ambitions for London and Londoners. This reflection came after a period of intense and productive collaboration across London through the pandemic: a collaboration based on shared values which they want to continue into the recovery and beyond. In October 2021, the Group Leaders and Corporate Management Team developed four core areas of the Shared Ambitions for London Councils to transform it into an organisation that:

- provides political leadership based on shared values;
- is a trusted partner for central government, the GLA, other cities, business and the voluntary and community sector (VCS);
- focusses on pan-London efforts where they add real value; and
- champions innovation and leading practice and promotes collaboration and coalitions of the willing.

2. In order to achieve the Shared Ambitions, London Councils has to become an organisation that is:

- Strategic and influential;
- Bold and responsive; and
- Modern and digital.

3. The Shared Ambitions were developed into a business plan and agreed by Leaders in July 2022 which comprised of milestones falling under six core themes:

- London's future
- Climate adaptation and net zero
- Wellbeing and the borough role in prevention
- London's voice

- Value proposition for boroughs
  - Organisational development and design
4. The development of a premises strategy is a milestone included in the organisational development and design theme. The COVID-19 pandemic and the use of IT solutions for effective remote working has had a significant influence on how the organisation's offices are used. In addition, the leases on both of London Councils properties are due to expire within three and a half years. This presents an opportunity to rationalise office space in order to reduce premises costs that will allow resources to be repurposed to deliver the Shared Ambitions. A key feature of the premises strategy is to ensure that London Councils future workspace is flexible, affordable and sustainable and supports the delivery of the Shared Ambitions. It also includes proposals to reduce the reliance on the use of General Reserves to set balanced budgets.

## **Existing Properties**

5. London Councils currently has two leasehold agreements to occupy premises in Central London. The main features of the current leasehold agreements can be summarised as follows:
- Southwark Street (Freeholder – City of London Corporation; 31,123 ft<sup>2</sup> occupied) – This site serves as the headquarters for the organisation and has been occupied since March 2001. A reversionary five-year lease was agreed by the Executive in June 2018, which runs from 26 March 2021 until 25 March 2026. There is no break clause provision contained in the reversionary lease, meaning that London Councils is liable to pay up the agreed rent for the full term of the lease. The current annual rent payable on the leased property is £975,000 however, accounting standards require incentives such as rent-free periods to be spread across the life of the lease and this results in a smoothed rent of £819,000 chargeable to the revenue account. A rent review was due at the start of the reversionary lease and the City of London commissioned a firm of property advisors to

carry out the review. London Councils officers have been recently advised of the outcome of the review which proposes a £193,000 increase to the annual rent bringing it to £1.168 million. London Councils officers are currently in discussion with the City of London on the proposed rent increase, therefore this amount may change.

- Chancery Exchange (Freeholder – D'Aguilar Property Holding Ltd; 7,063 ft<sup>2</sup> occupied) – This site serves as the appeals hearing centre for the London Tribunal and has been occupied since March 2015. The current 10-year leasehold agreement runs until 29 March 2025. There is no break clause provision in the lease, meaning that there is no facility for early termination and London Councils is liable to pay up the agreed rent for the full term of the lease. The current annual rent payable on the leased property is £297,000 however, a smoothed rent of £261,000 is chargeable to the revenue account. The hearing centre has been housed in separate premises over the past 30 years. Members will be aware that, historically, the view has been taken that separate premises have been necessary for this function to reflect:
  - The judicial independence from councils who, very often, will be parties to the proceedings that are the subject of the appeals being heard; and
  - The specific physical requirements of this service, including several discrete, individual hearing rooms with very particular specifications in terms of configuration, facilities and security, as well as the need for greater public waiting areas for appellants.

6. The approved expenditure budget for each sites for 2022/23, offset by projected income sources, is as follows:

	<b>Southwark Street</b>	<b>Chancery Exchange</b>
	<b>£000</b>	<b>£000</b>
Smoothed Rent <i>(including proposed rent increase)</i>	1,012	260
Business Rates	469	135
Service Charge	-	94
Other premises costs	297	33

Depreciation	121	103
Provisions for redecorations/dilapidations	89	18
<b>Total Expenditure</b>	<b>1,988</b>	<b>643</b>
Recharges to TfL/GLA for RUCA/ULEZ	-	(172)
Recharge to TEC	(422)	-
Recharge to Grants Committee	(53)	-
Recharge to externally funded projects and tenants	(205)	-
External meeting room income	(100)	-
<b>Total Income</b>	<b>(780)</b>	<b>(172)</b>
<b>Net budgeted cost</b>	<b>1,208</b>	<b>471</b>

7. The net cost for the Southwark Street site to the core Joint Committee is £1.208 million per annum as a sum of £770,000 is recharged to the Grants and TEC funding streams, externally funded projects and tenant licence holders for the use of the building. The amounts recharged to Grants and TEC will feed into the charges paid by boroughs to these respective committees' for services provided. In addition to the recharges, there is an income target of £100,000 for the external hire of meeting rooms include in the 2022/23 budget. For Chancery Exchange, the net budgeted cost of £471,000 falls on TEC as sole user of the building and no other income accrues other than the recharge to the GLA/TfL for hearing RUCA/ULEZ appeals. The current contract to manage the RUCA/ULEZ tribunal service ends in December 2023 having already been extended for an additional two-year period. The GLA/TfL will most likely re-tender the contract for another five-year period and London Councils will have the option to bid for the new contract.
8. Following the London Councils Challenge Process, a peer review undertaken and reported to members during 2016, one of the emerging strands sought to explore new ways of working that made more effective use of the two buildings. Based on a working assumption than London Councils would remain at both Southwark Street and Chancery Exchange, a broad set of aspirations for the Southwark Street site sought to:

- make the workspace more agile,
- use less space directly,
- seek to let more space out to boost income and
- make the building a more attractive hub for collaboration amongst staff, members and London local government.

9. The first two bullet points of outlined in paragraph 8 above were achieved.

The full roll out of agile working arrangements at Southwark Street was completed in October 2020 and envelops the existing workspaces on the first, second and third floors. The emergence of the COVID-19 pandemic has had a significant impact on the commercial rental sector in London and made it hard to attract tenants to occupy vacant space. There is a clear trend to organisations occupying less floor space by adopting “hybrid” office/ home operating models. The rental market appears polarised with continued demand for good quality, energy-efficient workspaces to attract workers back to the office while lower quality properties are harder to let. Overall, there is weaker demand amidst increased economic uncertainty. The Southwark Street offices require some refurbishment work in order to make it more attractive to potential tenants and for stakeholders to use as a collaboration space in order to address the last two bullet points. While a detail specification of works for the refurbishments was prepared, the work did not proceed due to the impact of the pandemic which prompted a rethink of the previous plans.

## **Future Premises Requirements**

10. A cross-division working group was set up in 2022 to consider premises matters. One of its tasks was to develop a strategy that sets out London Councils future premises requirements. The group established a number of desired outcomes that would be expected from a future workspace as follows:

- Reduce premises costs
- Make optimal use of available space



- Low carbon footprint
- Enhance collaboration, innovation and effective communication
- Modern and digital
- Increase the productivity of the workforce
- Include sufficient space for meetings, storage and focussed working
- Make employees feel valued and improve their wellbeing
- Positive reflection of the organisation's values

11. Moveworks, a workspace consultancy firm, was commissioned to work with the Premises Working Group to determine the amount of space the organisation needs to operate efficiently and deliver on the Shared Ambitions agreed with members. Moveworks has worked with a number of local authorities and public sector bodies on similar workspace related projects. The work carried out by Moveworks involved:

- obtaining detailed knowledge of London Councils existing working patterns and how its workspaces are currently being used to fulfil business needs;
- reviewing and considering the work already carried out on agile working, the outcome of the staff survey on future ways of working and the subsequent changes to corporate policies;
- engagement with teams and relevant stakeholders to collect information on future working patterns and workspace requirements;
- identifying potential savings on premises costs by reducing total office space; and
- considering proposals to co-locate London Councils' main office and the London Tribunals hearing centre which takes into account the need to maintain judicial independence of the tribunal from London Councils'

member authorities who will normally be parties to the tribunal's proceedings.

12. The Moveworks team agreed a set of project principles with London Councils Corporate Management Team before commencing the assignment which was completed in September 2022. It produced a Future Workplace Report based on its findings from the engagement sessions with London Councils officers and information provided on employee numbers, team structures, operational activity and working patterns. The core themes that emerged from the engagement sessions and information gathering exercise was that a future workspace should:

- encourage collaboration and communication between teams in order to increase creativity, effectiveness and organisational cohesion. A physical base will be important in terms of providing a sense of common purpose, progress and an ethos of collaboration without which it would be extremely hard for the organisation to operate as an effective entity;
- have sufficient meeting space for members, professional officer networks, partners and other stakeholders. This provides a facility to collaborate with members and officers across the boroughs and other partners in our collective work to support London local government. This is consistent with the previous aspiration to make the Southwark Street offices a collaboration hub for London local government;
- be based in a central London location, preferably SE1, that has reasonable transport accessibility for staff, members and officers from member boroughs across London coming to meetings and events at London Councils;
- have flexible workspaces that can be used for a combination of different types of work settings including touch down areas for staff, members, borough officers and partners. Meeting rooms and

collaboration spaces should have audio video equipment to facilitate hybrid meetings; and

- have separate entrances and/or floors for London Councils main offices and the tribunal service in the event that a premises is found that can house the staff and functions based at both current locations.

### **Reduction of Office Floorspace**

13. The Future Workplace Report contained an office layout plan for both the main office and tribunal service designed by a space planner and included the floor space required to incorporate the aspirations for the workplace detailed above. The change in work patterns and use of the buildings following the COVID-19 pandemic has led to a reduction in the amount of space the organisation requires to carry out its operations at both sites. The tribunal service intends to carry out video hearing trials in October 2022 with a view to offering this option to appellants in the future. If successful, this offering will also lead to a reduction in the amount of space required by the tribunal service.

14. The recommended reduction in floorspace for both sites is detailed in the table below:

<b>Site</b>	<b>Current floorspace (ft<sup>2</sup>)</b>	<b>Proposed floorspace (ft<sup>2</sup>)</b>	<b>Difference (ft<sup>2</sup>)</b>	<b>Difference (%)</b>
Main office	31,123	10,301	20,822	67%
Tribunal service	7,063	2,713	4,350	62%
<b>Total</b>	<b>38,186</b>	<b>13,014</b>	<b>25,172</b>	<b>66%</b>

15. The indicative annual rent for office space in the Southbank area range quite widely from £39.50 to £75 per / ft<sup>2</sup>. The average rent-free period on a ten-year lease range from 21 to 25 months. Therefore, the smoothed annual rent over a ten-year period, using a mid-point rent free period of 23 months, could range from £31.93 to £60.62 per / ft<sup>2</sup>. This compares to annual smoothed rent per / ft<sup>2</sup> for the Southwark Street offices of £32.52 per / ft<sup>2</sup> (£1.012 million ÷

31,123 ft<sup>2</sup>) and the Chancery Exchange offices of £36.81 per / ft<sup>2</sup> (£260,000 ÷ 7,063 ft<sup>2</sup>). It is worth noting that the Southwark Street building has areas, such as the basement, that are not suitable for office use so would not attract a full rental charge. For that reason, the annual rent per / ft<sup>2</sup> for usable office space is likely to be higher than the £32.52 per / ft<sup>2</sup> calculated above.

16. The potential reduction in annual premises costs from moving to smaller premises could range from:

Site	Range
Main office	£603,000 to £867,000
Tribunal service	£227,000 to £284,000

17. A move to a smaller location will result in one-off fit out, relocation and project management costs. The following indicative costs were included in the workspace report:

Costs	Main office £000	Tribunal service £000	Total £000
Fit Out	1,535	456	1,991
Removal	32	4	36
Clearance (allowance)	15	5	20
Project management fees	39	11	50
<b>Total</b>	<b>1,621</b>	<b>476</b>	<b>2,097</b>

The fit out and project management costs can be capitalised and depreciated over the life of the lease in accordance with London Councils' accounting policies. The charge to the revenue account in the first year would potentially be £47,000 based on the value of the removal and clearance costs. These indicative one-off costs will all be offset by future reductions in rent due to occupying reduced office space. The depreciation charge to the revenue account commences on the year after acquisition so for the second year onwards, assuming a ten-year lease is entered into, the annual charge would be £226,000. This expenditure will be subject to a procurement exercise in accordance with the regulations, so these amounts are indicative at this stage.

18. The report also includes a provision of £318,000 for furniture and equipment split between £278,000 for the main office and £40,000 for the tribunal service. The intention is to use existing furniture and equipment wherever possible so it is expected that actual spend will be less. Any new furniture and equipment acquired will be depreciated over a five-year period in accordance with London Councils' accounting policies resulting in an annual revenue charge of £64,000 based on the provisional costs. The depreciation of the estimated fit out and furniture and equipment costs have been factored in the calculation of the potential reduction in annual premises costs in the table above.
19. There will be dilapidation costs payable to the landlords at the end of the leases. Accounting provisions for these costs have been built up over the life of the leases in line with general accepted accountancy practices. There could be potential under or overspends on these provisions when applied to actual costs.
20. London Councils entire IT platform has been migrated to the Cloud as part of the move to agile working, no on-site IT infrastructure will need to be moved and reinstated.

### **Discussions with the City of London**

21. As described above, there are clear cost reductions of moving to a smaller office space over the medium-term. However, if London Councils seeks to move before the expiry of its existing leases, it will incur termination costs associated with its legal obligations under both leases. London Councils officers propose to hold discussions with officers of the City of London to explore options of terminating the current lease on the Southwark Street premises and entering into a new lease for a different property. The discussions will include the proposed increase in rent following the rent review which was due at the start of the reversionary lease on 26 March 2021. The outcome of these discussions will be reported to the Executive.

## Conclusion

22. As mentioned above, a physical base is important in building a sense of common purpose, encouraging creativity and embedding corporate culture. It can serve as a space for staff, members, borough officer networks and partners to come together and collaborate in their collective work to support London local government in their role of serving London's communities.
23. There are two possible options for meeting these workspace requirements for the main office which are to remain at the Southwark Street office or move to alternative premises. London Councils adoption of agile working in 2019 followed by an increase in remote working in the wake of the COVID-19 pandemic has led to a reduction in the amount of space required to carry out its operations. The Moveworks report indicates that only 33% of the available space in the Southwark Street building is required for London Councils' operations. The possible relocation of the tribunal service to the Southwark Street offices would only increase the utilisation of the building to 42%. This leaves a significant portion of the building surplus to requirements and it would prove very challenging in the post COVID-19 commercial property market to attract tenants to utilise the space as was envisaged in the previous strategy.
24. A potential move to smaller premises will lead to reduction in premises costs and provide an opportunity to reduce reliance on the use of reserves when setting annual budgets. It will also contribute to ensuring that the organisation's financial arrangements remain sustainable and free up resources that can be used to support the delivery of London Councils Shared Ambitions. The extent of any savings and timing of a move will be influenced by the outcome of discussions with the City of London. In addition to currently housing London Councils in one of its properties, the City of London provides it with a number of support services, including finance, information technology, human resources and legal services. London Councils has secured some significant advantages in its partnership with the City of London Corporation over the years. The unique nature of the City of London among

member boroughs has helped reinforce a sense of independence for London Councils and mitigate any perceptions of excessive influence by one of its member boroughs. It is proposed that any new lease entered into should have a break clause at the midway point in order to provide flexibility to adapt to changing circumstances.

25. The Executive is asked to:

- note the outcome of the work done by Moveworks, workspace consultancy, to establish London Councils floorspace requirements;
- note the potential financial benefits of moving to a smaller premises; and
- agree that discussions can be held with officers of the City of London to explore possible options for the termination of the Southwark Street lease and a potential new lease for a different property.

---

### **Financial Implications for London Councils**

As detailed in the body of the report.

### **Legal Implications for London Councils**

As detailed in the body of the report

### **Equalities Implications for London Councils**

None

### **Appendices**

None

### **Background Papers**

Future Workplace Report by Moveworks October 2022

# Executive

## Proposed Revenue Budget and Borough Subscriptions and Charges 2023/24 and Medium Term-Financial Strategy

Item no: 7C

**Report by:** David Sanni      **Job title:** Director, Corporate Resources  
**Date:** 8 November 2022  
**Contact Officer:** David Sanni  
**Telephone:** 020 7934 9704      **Email:** David.sanni@londoncouncils.gov.uk

---

### Summary

This report proposes the provisional consolidated revenue income and expenditure budget for 2023/24, together with indicative income and expenditure budgets for 2024/25 and 2025/26. This report also proposes the level of boroughs subscriptions and charges to be levied in 2023/24. The report updates the Executive on the level of London Councils reserves and proposed commitments and the timetable for the overall budget approval process.

Following consideration by this meeting, proposals will be submitted to the Leaders' Committee meeting on 13 December for final consideration and approval.

### Recommendations

The Executive is asked to recommend that the Leaders' Committee approve at their meeting on 13 December 2022 the following borough subscription and charges:

- The proposed Joint Committee subscription for boroughs of £161,958 per borough for 2023/24, no change from 2022/23 (paragraph 14);
- The proposed Joint Committee subscription for MOPAC of £15,410 for 2023/24, no change from 2022/23 (paragraph 14);
- The proposed borough contributions to the Grants scheme of £6.668 million to maintain the same level as 2022/23 (paragraphs 19).



The Executive is also asked to recommend that the Leaders' Committee endorse the following subscription, charges and use of reserves for 2023/24 for TEC, which will be considered by the TEC Executive Sub-Committee on 17 November, before being presented to the main meeting of TEC on 8 December for final approval:

- The Parking Core Administration Charge of £1,500 per borough and for TfL (2022/23 - £1,500) (paragraph 23);
- No charge to boroughs in respect of the Freedom Pass Administration Charge, which is covered by replacement Freedom Pass income (2022/23 – no charge) (paragraph 25);
- The net Taxicard Administration Charge to boroughs of £338,000 in total (2022/23 - £338,000); (paragraph 26);
- No charge to boroughs and TfL in respect of the Lorry Control Administration Charge, which is fully covered by estimated PCN income (2022/23 – no charge) (paragraph 27);
- The Parking Enforcement Service Charge of £0.3001 per PCN, which will be distributed to boroughs and TfL in accordance with the number of PCNs issued in 2021/22 (2022/23 - £0.3751 per PCN; paragraphs 30-31);
- The Parking and Traffic Appeals Charge of £29.75 per appeal or £25.57 per appeal where electronic evidence is provided by the enforcing authority (2022/23 - £29.36/£25.55 per appeal). For hearing Statutory Declarations, a charge of £23.49 for hard copy submissions and £22.65 for electronic submissions (2022/23 - £23.64/£22.88 per SD) (paragraphs 32-33);
- Congestion Charging Appeals including the ULEZ scheme – to be recovered on a full cost recovery basis, as for 2022/23, under the current contract arrangement with the GLA (paragraph 34);
- The TRACE (Electronic) Charge of £7.53 per transaction (2022/23 - £7.53) (paragraph 29);
- 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 (2022/23 - £15.23) (paragraph 29);
- The TEC Charge of £0.175 per transaction (2022/23 - £0.175) (paragraph 29); and
- The use of £721,000 of TEC reserves which consists of £258,000 of previously approved committed reserves to fund environmental initiatives, including climate change, from the TEC Special Projects Reserve. The residual amount of £463,000 will be funded from the £1.1 million forecast TEC surplus for 2022/23 and will not reduce the existing level of uncommitted reserves (paragraphs 22)

Based on the above proposed level of subscriptions and charges, the

Executive is asked to recommend to the Leaders' Committee:

- The provisional consolidated revenue expenditure budget for 2023/24 for London Councils of £279.890 million, as per Appendix A of this report;
- The provisional consolidated revenue income budget for 2023/24 for London Councils of £278.715 million, also as per Appendix B;
- The establishment of a Premises Transition Earmarked Reserve of £850,000 to support the move to a smaller premises and use £437,000 of this reserve to part fund the current level of premises costs in 2023/24, as detailed in paragraph 12;
- An overall level of expenditure of £6.686 million for the Grants Scheme in 2023/24 (2022/23: £6.668 million); and
- The use of Grant Committee reserves of £18,000 in 2023/24 during the transition period until a move to a smaller premises, as detailed in paragraph 19; and
- The facility for officers to draw down a maximum of £300,000 from reserves for the Shared Ambition Impact Fund, subject to the maintenance of a sustainable level of reserves, as detailed in paragraph at 15.

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

- The position in respect of forecast uncommitted London Councils reserves as at 31 March 2023, as detailed at paragraphs 50-55;
  - The indicative income and expenditure budgets for 2024/25 and 2025/26 detailed at Appendices C-F;
  - The positive statement on the adequacy of the residual London Councils reserves issued by the Director, Corporate Resources, as detailed in paragraph 55; and
  - The proposed review of London Councils operating model to identify potential savings and efficiencies to ensure its financial arrangements remain affordable and sustainable.
-

# **Proposed Revenue Budget and Borough Subscriptions and Charges 2023/24**

## **Introduction**

1. This paper sets out the key features included in the budget proposals for 2023/24. It presents the level of boroughs subscriptions and charges to be levied along with the consolidated revenue income and expenditure budget for 2023/24. It also presents indicative income and expenditure budgets for 2024/25 and 2025/26
2. This budget has been prepared with the aim of ensuring that the organisation has sufficient resources available to deliver the Shared Ambitions agreed with Leaders for London and for London Councils. The Shared Ambitions seek to transform London Councils into an organisation that:
  - provides political leadership based on shared values;
  - is a trusted partner for central government, the GLA, other cities, business and VCS;
  - focusses on pan-London efforts where they add real value;
  - champions innovation and leading practice; and
  - promotes collaboration and coalitions of the willing.
3. The Shared Ambitions were developed into a business plan and agreed by Leaders in July 2022 which comprised of milestones falling under six core themes:
  - London's future
  - Climate adaptation and net zero
  - Wellbeing and the borough role in prevention
  - London's voice
  - Value proposition for boroughs
  - Organisational development and design

4. Alongside ensuring the organisation can meet the Shared Ambitions strategic objectives, the following principles have been adopted in preparing the 2023/24 budget:
- the Joint Committee core subscription of £161,958 per borough frozen for the seventh year;
  - the total borough contributions to the S48 commissioned services and administration subscription of £6.668 million, an average of £202,000 per borough frozen for sixth year;
  - the TEC parking core administration charge of £1,500 per borough frozen for the twelfth year;
  - reduce reliance on the use of uncommitted reserves to balance the budget; and
  - address inflationary and pay award pressures.
5. The total accumulated benefit of the reduction and freezing of subscriptions and charges from 2010/11 to 2023/24 equates to £302 million (an average of £9.2 million per borough).

### **Budgetary pressures**

6. This budget report is prepared against a backdrop of high inflation rates which have surged to a three decade high during 2022. The Consumer Prices Index (CPI) rose by 10.1% in the 12 months to September 2022. There are a number of factors contributing to the high level of inflation such as the rise in energy prices, the Russian invasion of Ukraine, supply chain bottleneck in the post COVID-19 recovery period, strong labour market etc. Rising inflation has put additional financial pressure on budgets including employee costs, contractual commitments and general supplies and services. The current economic instability has led to rising interest rates which along with the high levels of inflation, contribute to the rising cost of living faced by London's residents and businesses.
7. The significant budgetary pressures that will have an impact on the 2023/24 revenue budget include, amongst other factors:

- An estimated amount of £120,000 for the element of the proposed pay award for 2022/23 above the budgeted provision which is built into the base budget for 2023/24;
  - An estimated amount of £300,000 due to a 4% pay award, subject to negotiations, for 2023/24;
  - An estimated amount of £145,000 in respect of staff and salary progression through the approved staff structure;
  - An amount of £193,000 for the proposed increase to the annual rent on the Southwark Street offices following the rent review of the full rack rent value at 26 March 2021. This amount is still subject to negotiation with the landlord, the City of London Corporation;
  - An amount of £106,000 for the reduction of recharge income from the London Care Placements service which is no longer financially viable and comes to an end on 31 March 2023, subject to member approval; and
  - Further inflationary increases on contract commitments for 2023/24.
8. The total financial impact of these budgetary pressures on operating expenditure and income budgets is approximately £955,000.
9. The financial benefits of adopting agile working arrangements at the Southwark Street offices has not been realised as the impact of the COVID-19 pandemic on the commercial property sector has affected plans to attract new income paying tenants to occupy freed up space within the building. The preceding item on the agenda informed members of London Councils future space requirements and set out proposals to move to smaller accommodation in order to reduce associated premises costs.

### **Savings, Efficiencies and Developments**

10. To address the pressures detailed above and the steer received from Leaders to reduce the reliance on uncommitted reserves, the following measures have been taken:

- a line-by-line review of historic surpluses and underspends to identify areas where budgets can be increased/decreased, including:
  - a reduction of £96,000 in staffing budgets due to an increase in the vacancy allowance from 2% to 5% in areas which traditionally have a high level of staff turnover;
  - a reduction of £100,00 to the Commissioning and Research budget;
  - a reduction of £90,000 to general running cost budget; and
  - the removal of the £100,000 contribution to the Digital Enablement Fund;
  - an increase of £150,000 in income from lost/faulty freedom passes;
  - an increase of £200,000 in income from the London Lorry Control Scheme PCN income which has recovered to pre-pandemic levels; and
  - a reduction of £369,000 in employers' contribution to the Local Government Pension Scheme following the outcome of the 2022 triennial valuation of the scheme.
- initial work on reviewing London Councils operating model to identify costs that can be reduced in 2023/24 such as the removal of specific roles, including those within the London Care Placement service; and
- a review of London Councils future office space requirements which is explored further in paragraph 12 below.

11. The combined impact of these measures has resulted in the identification of savings and efficiencies of £1.2 million.

12. As set out in the preceding item on the agenda (item 7b), there is an opportunity to make a considerable reduction to the amount of office space that London Councils occupies. Subject to negotiations with the City of London, this will generate significant savings in future years on the premises costs on London Councils main office, ranging from £603,000 and £867,000 per year. However, the to a move to a new building will take time and it is proposed to set up a Premises Transition Earmarked Reserve of £850,000 to fund the budget gap in 2023/24 and meet one off transition costs on an invest to save basis. Once the move is complete any unused funds will be released back to general reserves.

## Joint Committee Budget and Core Subscriptions for 2023/24

13. The proposed joint committee budget for 2023/24 is summarised at Table 1 below. The budget incorporates the pressures, savings and efficiencies detailed above. The detailed budget for 2023/24 can be found at Appendices A and B.

**Table 1 – Indicative Joint Committee budget**

	<b>2023/24 Proposed Budget</b>	<b>2022/23 Revised Budget</b>
	<b>£000</b>	<b>£000</b>
Employee & Member Costs	5,114	5,468
Running Costs	3,535	3,620
Other Operating Expenditure	582	982
Central Recharges	9	123
<b>Total Expenditure</b>	<b>9,240</b>	<b>10,193</b>
Indicative Income	(6,120)	(6,601)
Central Recharges	(2,683)	(2,483)
<b>Sub-total</b>	<b>(8,803)</b>	<b>(9,084)</b>
General Reserve	-	(823)
Brought forward balances	-	(286)
Premises Transition Earmarked Reserve	(437)	-
<b>Total Income</b>	<b>(9,240)</b>	<b>(10,193)</b>

14. The proposed amount to be levied on member boroughs in respect of the JC core and associated functions in 2023/24 is £161,958, the same level as for 2022/23. This includes a sum of £5,455 per borough as a contribution towards the continued funding of the YPES. In line with the overall standstill position, it is proposed that the 2023/24 Joint Committee subscription for MOPAC be £15,410, the same level as for the current year.
15. At its meeting on 21 June 2022, the Executive approved a facility for officers to draw down a maximum of £300,000 from reserves for the Shared Ambition Impact Fund, subject to the maintenance of a sustainable level of reserves. It is proposed

that this annual facility should remain in place during 2023/24 to support the delivery of the Shared Ambitions.

### **Joint Committee Medium-term Financial Plan 2024/25 to 2025/26**

16. The indicative budgets for 2024/25 and 2025/26 have been prepared on the basis that:

- the Joint Committee core subscription of £161,958 per borough will remain frozen during this period; and
- uncommitted general reserves are not used to balance the budgets.

17. As set out earlier in the report, the potential move to a smaller office space will lead to a significant reduction to premises costs. In addition, it is proposed that a review of London Councils operating model will be carried out within the next six months to identify additional savings and efficiencies ranging from £200,000 to £250,000 per annum to ensure overall expenditure does not exceed income generated in each year. The detailed Joint Committee budget for 2024/25 and 2025/26 can be found at Appendices C to F.

### **Grants Committee Budget and Contributions for 2023/24**

18. Following consideration by the Grants Committee at its meeting on 30 November, the Leaders' Committee will be asked to approve the budget for 2023/24 as shown in the Table 2 below:



**Table 2 – Indicative Grants Budget 2023/24**

	<b>2023/24 Proposed Budget</b>	<b>2022/23 Revised Budget</b>
	<b>£000</b>	<b>£000</b>
Employee & Member Costs	291	271
Running Costs	20	19
S.48 Commissioned Services	6,233	6,233
Central Recharges	142	145
<b>Total Expenditure</b>	<b>6,686</b>	<b>6,668</b>
Indicative Income	(6,668)	(6,668)
<b>Sub-total</b>	<b>(6,668)</b>	<b>(6,668)</b>
General Reserves	(18)	-
<b>Total Income</b>	<b>(6,686)</b>	<b>(6,668)</b>

19. The 2023/24 financial year is the second year of the four-year programme of commissioned services agreed by the Leaders' Committee in December 2019, following recommendations by the Grants Committee. The key features of the proposed budget 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;
- a provision for grants administration of £469,000 to support the delivery of the commissioned services programme, including contract management and monitoring arrangements;
- a total borough contribution of £6.668 million which will be apportioned in accordance with the ONS 2021 mid-year population data; and
- a transfer from reserves of £18,000 to cover inflationary cost pressures and maintain borough contributions at 2022/23 levels. It is recommended that the increase in costs are funded by reserves in 2023/24 during this transitional period until a move to a smaller office space is secured and the committee benefits from the reduction in premises costs.

#### **Grants Committee Medium-term Financial Plan 2024/25 to 2025/26**

20. The indicative Grant Committee budgets for 2024/25 and 2025/26 have been prepared on the basis that borough contributions to the scheme will remain frozen over the three-year period to 2025/26. In addition to reductions on premises costs, the review of London Councils operating model will seek to identify annual savings and efficiencies within the Grants Committee budget ranging from £20,000 to £50,000. The detailed Grants Committee budget for 2024/25 and 2025/26 can be found at Appendices C to F.

### TEC Budget, Subscriptions and Charges for 2023/24

21. Following consideration by the TEC Executive Sub-Committee at its meeting on 17 November, TEC will be asked to approve the budget for 2023/24 as shown in Table 3 below.

**Table 3 – Indicative TEC Budget 2023/24**

	<b>2023/24 Proposed Budget</b>	<b>2022/23 Revised Budget</b>
	<b>£000</b>	<b>£000</b>
Employee & Member Costs (excludes service administration staff)	745	823
Running Costs	267	324
Payment in respect of Freedom Pass and Taxicard	250,529	218,925
Direct Services	11,569	10,634
Other Operating Expenditure	385	666
Central Recharges	469	536
<b>Total Expenditure</b>	<b>263,964</b>	<b>231,908</b>
Contributions in respect of Freedom Pass and Taxicard	(250,744)	(218,989)
Income for Direct Services	(12,327)	(11,079)
Other Income	(172)	(262)
<b>Sub-total</b>	<b>(263,243)</b>	<b>(230,330)</b>
General Reserves	(463)	(721)
Brought forward balances	-	(141)
TEC Special Projects Reserves	(258)	(716)
<b>Sub-total</b>	<b>(721)</b>	<b>(1,578)</b>
<b>Total Income</b>	<b>(263,964)</b>	<b>(231,908)</b>

### Use of Reserves

22. The planned use of TEC uncommitted general reserves of £463,000 in 2023/24 includes an amount of £186,000 to maintain the administration charge of Taxicard Scheme at its current level which subsidises the cost to users of the scheme. It also includes an amount of £87,000 in respect of contributions to environmental initiatives, including work on climate change. The TEC current year's forecast surplus of £1.1 m is sufficient to fund these costs in 2023/24 without reducing the existing level of uncommitted general reserves.

### **TEC Core Parking Subscription**

23. This subscription is frozen at £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**

24. 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 2023/24, 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 4 below:

**Table 4 – Proposed TEC Direct Services Administration Charge 2023/24**

<b>Charge</b>	<b>Basis</b>	<b>2022/23 (£)</b>	<b>2021/22 (£)</b>	<b>Variance (£)</b>	<b>%</b>
Freedom Pass	Per borough	Nil	Nil	-	-
Taxicard	Total	338,000	338,000	-	-
Lorry Control	Average	Nil	Nil	-	-

25. 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 2023/24 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 to ensure forecast income streams continue to cover the costs of administering the scheme.

26. 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 2023/24 is £338,000, no change on the total charge for 2022/23. This proposal includes the use of uncommitted TEC reserves of £186,000, as detailed above, to maintain the unit charge at this level. The active Taxicard total membership as at 30 September 2022 is 59,107, compared to 57,426 as at 30 September 2021, an increase of 1,681, or 2.9% which reflects the continuing recovery from Covid-19. The increase in the spreading base and the recommended use of reserves of £186,000 has decreased the underlying subsidised unit cost of a scheme member from £5.89 to £5.72 per member.

27. 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 2022/23, June 2021. The total cost of administering the scheme is estimated to be £846,144 in 2022/23, compared to £767,635 in 2022/23, reflecting inflationary increases to contract costs. This figure includes a sum of £50,000 that has been retained in anticipation of further development of the scheme in 2023/24. After consideration of projected income of £1.2 million from the enforcement of the scheme, it is proposed that there will be no borough or TfL contribution in 2023/24, 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**

28. 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.

29. The proposed level of charge for each traded service, compared to those for the current year is detailed in Table 5 below:

**Table 5 – Proposed TEC Traded Services Unit Charges 2023/24**

Charge	2023/24 (£)	2022/23 (£)	Variance (£)	%
Parking Enforcement Service Charge (total charge)	0.3001	0.3751	(0.075)	(20)
Environment and Traffic Adjudicators (ETA) Appeals (Hard Copy)	29.75	29.36	0.39	1.32
ETA Appeals (Electronic)	25.57	25.55	0.02	0.09
ETA Statutory Declarations (Hard Copy)	23.49	23.64	(0.15)	(0.63)
ETA Statutory Declarations (Electronic)	22.65	22.88	(0.22)	(0.97)
TRACE Electronic	7.53	7.53	-	-
TRACE Fax	7.70	7.70	-	-
TEC	0.175	0.175	-	-

30. The **Parking Enforcement Service Charge** is allocated to users in accordance with the number of PCNs issued. For 2023/24, expenditure of £3.496 million needs to be recouped, compared to £3.173 million for 2022/23; an increase of £323,000, which reflects significant inflationary increases along with costs associated with the ULEZ scheme.

31. After top-slicing the amount for the estimated fixed costs of £1.273 million attributable to the contract with the GLA/TfL in respect of road user charging appeals (RUCA) and ULEZ, a total of £2.223 million remains to be apportioned through the 7.473 million PCN's issued by boroughs and TfL in 2021/22 in respect of parking, bus lane and moving traffic offences, compared to 5.289 million issued in 2020/21. The increase in the number of PCNs issued over the two comparative years increases the cost spreading base, which leads to a reduction in the actual

unit charge to boroughs and TfL of £0.075 per PCN, or 20%, from £0.3751 to £0.3001 per PCN for 2023/24. 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 2022/23, this sum was £98,000 and is estimated to increase to £105,000 in 2023/24. This sum will be apportioned to boroughs in accordance with volumes of transaction generated on each system by users.

32. The estimated volume of Environment and Traffic Adjudicators (ETA) appeals for 2023/24, based on indicative volumes to date in 2022/23, is 44,762, compared to the budgeted figure of 48,820 for the current year.
33. The average throughput of appeals for the current year to date is 3.63 appeals heard per hour, compared to 3.53 appeals per hour when the current year budget was set in December 2021. This average figure takes account of all adjudicator time spent on postal and personal appeal hearing and non-appeal 'duty adjudicator' activities. Based on this forecast figure and allowing for an increase to adjudicator fees, it is proposed that the indicative hard copy unit ETA appeal cost for 2023/24 is £29.75, an increase of £0.39 or 1.32% on the charge of £29.36 for 2022/23. For appeals where an enforcing authority provides electronic evidence, it is proposed that the unit cost will increase by £0.02 or 0.09% to £25.57, with this lower charge providing an incentive for boroughs to submit electronic evidence under the current contract arrangements. Boroughs will continue to pay a differential charge for the processing of ETA statutory declarations. For hard copy statutory declarations, the proposed unit charge will be £23.49 compared to the charge of £23.64 for the current year, which represents a decrease of £0.15, or 0.63%. For electronic statutory declarations, the proposed unit charge will be £22.65, a decrease of £0.22, or 0.97% on the electronic appeal unit charge of £22.88 for the current year.
34. For RUCA Appeals, the estimated volume of appeals for 2023/24, based on 2022/23 actual volumes to date is 23,801, compared to 24,244 for the current year. 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 £1.273 million for 2023/24; an increase of £85,000 on the 2022/23 budgeted level of £1.188 million, which reflects inflationary increases.

35. 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.
36. The estimated decrease in expenditure between 2022/23 and 2023/24 based on the actual transaction volumes and estimated movement in contract prices is £85,000. The corresponding estimated effect on income, between 2022/23 and 2023/24, is an increase of £130,000, leading to a net overall increase in budgeted income of £45,000 reflecting activity post Covid-19.
37. 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.

### **Freedom Pass**

38. The main settlement with TfL for concessionary travel is still being negotiated. The early estimates indicate a cost of £220.297 million, representing a provisional increase of £22.947 million, or 11.63%, on the figure of £197,350 million for 2022/23. The increase represents estimates considering the ongoing recovery from the Covid-19 pandemic. This increase is provisional and officers continue to negotiate with TfL on the final settlement figure.
39. The Rail Delivery Group (RDG) settlement is still being negotiated. Early estimates are for no change to the current costs of £10.257 Million. However, officers are continuing to negotiate regarding the price per journey to be paid and will update TEC accordingly in December.

40. The budget for payments to other bus operators for local journeys originating in London has been maintained at £1.1 million, following projections for 2023/24, based on the 2021/22 outturn position, recovery from Covid-19 and the current year to date.
41. The budget for the freedom pass issuing costs was £1.518 million for 2022/23. For 2023/24 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.
42. For income in respect of replacement Freedom Passes, current trends indicate that income is forecasted to recover to pre-lockdown levels. The 2023/24 income budget has therefore been increased to £900,000 and there is no proposed change to the unit cost of £12 for a replacement pass. As stated in paragraph 25, it is proposed that the in-house cost of administering the Freedom Pass scheme will be fully funded by this income stream in 2023/24.
43. As agreed by TEC in December 2014, any annual surplus arising from both the freedom pass issuing costs budget of £1.518 million (paragraph 41) and replacement freedom passes income budget of £900,000 (paragraph 42) will be transferred to a specific reserves to accumulate funds to offset the cost of future major pass reissue exercises. As detailed in Table 7 at paragraph 50, the estimated uncommitted specific reserve is £1.024 million, £985,000 of which relates to the Freedom Pass Renewal Reserve.
44. Final negotiations on the actual amounts payable to operators will be completed in time for the meetings of the Leaders' Committee on 13 December and the main TEC Committee on 8 December; any late variations to these provisional figures will be tabled at these meetings.
45. A summary of the provisional freedom pass costs for 2023/24, compared to the current year, can be summarised in Table 6 below. The total cost of the scheme is fully funded by boroughs and the estimated cost payable by boroughs in 2023/24 is £239.116 million, compared to £207.516 million payable for 2022/23. This



represents a reduction of £31.6 million or 15.2% which reflects significant increase in anticipated usage of the schemes following Covid-19 along with inflationary increases.

Table 6 – Comparative cost of Freedom Pass 2023/24 and 2022/23

<b>Estimated Cost of Freedom Pass</b>	<b>2023/24(£000)</b>	<b>2022/23 (£000)</b>
TfL Settlement	220,297	197,350
RDG Settlement	16,201	7,548
Non TfL Bus Operators Settlement	1,100	1,100
Freedom Pass Issue Costs	1,518	1,518
<b>Total Cost</b>	<b>239,116</b>	<b>207,516</b>

#### Taxicard

46. It is assumed that TfL will provide an estimated fixed contribution of £8.000 million, no change in the figure for 2022/23. The total borough contribution towards the Taxicard scheme in 2022/23 is estimated to be £2.257 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 2023. The indicative budgetary provision for the taxicard trips contract with ComCab (London), will, therefore, be an amalgam of the TfL and borough funding, currently equating to £10.257 million for 2023/24, the same figure as for the current year. However, several factors such as usage of the scheme particularly considering the ongoing impact and recovery of Covid-19 could influence the final outturn position for 2023/24.

#### TEC Medium-term Financial Plan 2024/25 to 2025/26

47. As with the core Joint and Grants Committees, the indicative TEC budgets for 2024/25 and 2025/26 have been prepared on the basis that the core TEC administration charge will remain frozen over the three-year period to 2025/26. In addition to reductions on premises costs, the review of London Councils operating model will seek to identify annual savings and efficiencies within the TEC budget to reduce reliance on the use of general uncommitted reserves to balance the budget. The detailed TEC budget for 2024/25 and 2025/26 can be found at Appendices C to F.

48. As well as high inflationary pressures on expenditure and an uncertain economic environment, there are other financial risks that London Councils faces, which include amongst other items:

- the current contract to manage the RUCA/ULEZ tribunal service ends in December 2023 having already been extended for an additional two-year period. This service contributes towards the overhead costs of London Tribunals. The GLA/TfL will most likely re-tender the contract for another five-year period and there is no guarantee that a bid from London Councils will be successful; and
- key policy areas, such as the work climate change, which are directly funded from transfers from reserves. The review of the operating model will have to consider how these important policy areas will be funded in a sustainable manner.

### **Externally Funded Projects**

49. In addition to the proposed expenditure of £279.890 million for largely borough funded activity, expenditure on activities financed through external contributions is currently projected to be in excess of £5 million in 2023/24, with funding being received through various external sources to fully fund the projects, ensuring no cost to boroughs. Once confirmation of continued and any additional funding into 2023/24 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**

50. The updated position on the overall level of London Councils after considering the forecast outturn for the current financial year and the budget proposals for 2023/24 outlined in this report, is detailed in Table 7 below:

**Table 7 - Estimated Uncommitted Reserves**

	Joint Committee		Grants Committee	Transport & Environment Committee		Total
	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)
	General	Earmarked	General	General	Specific	
<b>Provisional uncommitted reserves at March 2023</b>	<b>4,685</b>	<b>-</b>	<b>748</b>	<b>4,000</b>	<b>1,024</b>	<b>10,457</b>
Proposed transfer to Premises Transition Reserve	(850)	850	-	-	-	-
Proposals included in 2023/24 budget	-	(437)	(18)	(463)	(258)	<b>(1,176)</b>
Previously approved committed reserves	-	-	-	-	258	<b>258</b>
<b>Estimated residual uncommitted reserves</b>	<b>3,835</b>	<b>413</b>	<b>730</b>	<b>3,537</b>	<b>1,024</b>	<b>9,539</b>

51. 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 £251,000 in respect of a proposed budget of £6.686 million for 2023/24. The forecast level of uncommitted reserves of £730,000 is, therefore, in excess of this benchmark at 10.92% of the proposed budget.

52. For TEC, uncommitted general reserves are forecasted to be £4.000 million as at 31 March 2023 and reflects the forecast surplus on general reserves of £1.036 million for the current year. After considering the proposed use of general TEC reserves of £463,000 in setting the 2023/24 budget, subject to agreement of main TEC meeting on 8 December, uncommitted general TEC reserves are forecast reduce to £3.537 million, or 21.96% of proposed operating and trading expenditure of £16.109 million. The TEC Executive Sub-Committee will be considering options for the level of uncommitted reserves at its meeting on 17

November, with a view to making recommendations to the main TEC meeting in December.

53. For the Joint Committee functions, uncommitted general reserves are projected to be £3.835 million if the proposals in this report are approved. In a period of continuing financial constraint for London local government, and volatile financial markets, there is continued value in holding a reasonable level of reserves as a contingency. It will also facilitate a period of transition for the organisation, as it implements the outcome of the planned review of its operating model.

54. 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.

55. The overall level of estimated residual uncommitted reserves of £9.539 million represents 36.97% of total operating and trading expenditure in 2023/24 of £25.802 million. The comparable figures reported to the Executive 12 months ago was projected uncommitted reserves of £8.428 million, which equated to 33.1% of provisional operating and trading expenditure of £25.473 million for 2022/23. This position maintains 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 2023/24.

### **Budget approval timetable**

56. The timetable for the approval of the budget for 2023/24 following this meeting is as follows:

- 17 November - TEC Executive Sub-Committee considered the indicative budget and borough charges for 2023/24 and make recommendations to the main TEC Committee meeting on 8 December for approval;

- 30 November – Grants Committee considers and agrees the indicative grants budget and borough contributions for 2023/24, and makes recommendations to the Leaders' Committee meeting on 13 December for approval;
- 8 December – main TEC Committee – considers recommendations of TEC Executive Sub-Committee and any views arising from the Executive and approves the final budget and charges for 2023/24; and
- 13 December - Leaders' Committee considers this report on the indicative consolidated budget and borough charges for 2023/24 (as amended by this meeting), and a separate report seeking approval of the grants budget and borough contributions for 2023/24. This report will include the indicative budget and borough charges for TEC which the Leaders' Committee is asked to endorse.

## **Conclusions**

57. This report proposes the provisional consolidated income and expenditure budget for 2023/24, together with indicative income and expenditure budgets for 2024/25 and 2025/26. This report also proposes the level of boroughs subscriptions and charges to be levied in 2023/24. The report updates the Executive on the current level of London Councils reserves after considering all current and proposed commitments, plus the timetable for the overall budget approval process. It includes proposals to carry out an outcome focused review of London Councils operations to identify savings and efficiencies to ensure its financial position remains sustainable. The level of reserves will continue to be an area of key focus in order to ensure London Councils remains financially resilient while allowing enough flexibility to react to changing priorities. Following consideration by this meeting, proposals will be submitted to the Leaders' Committee meeting on 13 December for final consideration and approval.

## **Summary**

58. This report proposes the level of boroughs subscriptions and charges to be levied in 2023/24, together with the consolidated revenue income and expenditure budget for 2023/24 and indicative income and expenditure budgets for 2024/25 and 2025/26.

59. The subscription and budget proposals for 2023/24 relating to the Grants Committee, as contained in this report, will be considered by the Grants Committee at its meeting on 30 November. The Grants Committee will be asked to recommend that the Leaders' Committee approve the proposals as laid out in this report on 13 December.

60. The subscription and budget proposals for 2023/24 relating to the Transport and Environment Committee will be considered by the TEC Executive Sub-Committee at its meeting on 17 November and will be put before the main TEC meeting on 8 December for final approval. The Executive is, therefore, asked to recommend that the Leaders' Committee endorse the provisional TEC figures as laid out in this report, at its 13 December meeting.

---

### **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 2023/24.

Appendix B – the provisional consolidated revenue income budget for London Councils for 2023/24.

Appendix C – the indicative consolidated revenue expenditure budget for London Councils for 2024/25

Appendix D – the indicative consolidated revenue income budget for London Councils for 2024/25

Appendix E – the indicative consolidated revenue expenditure budget for London Councils for 2025/26

Appendix F – the indicative consolidated revenue income budget for London Councils for 2025/26

### **Background Papers**

London Councils budget working papers 2010/11 to 2025/26.

## Appendix A

### Proposed Consolidated Expenditure Budget 2023/24

	Jt Ctte £000	Grants £000	TEC £000	Total £000
<b>Payments in respect of Concessionary Fares</b>				
TfL	0	0	220,297	220,297
RDG	0	0	16,201	16,201
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	516	516
Comcab	0	0	10,257	10,257
Taxicard Administration	0	0	639	639
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>250,528</b>	<b>250,528</b>
<b>Payments for commissioned services</b>				
S.48 pan-London commissions	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
<b>Sub-Total</b>	<b>0</b>	<b>6,233</b>	<b>0</b>	<b>6,233</b>
<b>TEC Trading Account Expenditure</b>				
Payments to Adjudicators- ETA	0	0	844	844
Payments to Adjudicators - RUCA	0	0	595	595
Northgate variable contract costs - ETA	0	0	300	300
Northgate variable contract costs - RUCA	0	0	153	153
Northgate variable contract costs - Other	0	0	290	290
Payments to Northampton County Court	0	0	5,000	5,000
Lorry Control Administration	0	0	846	846
ETA/RUCA Administration	0	0	3,496	3,496
HEB Administration	0	0	44	44
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>11,568</b>	<b>11,568</b>
<b>Total Direct Services</b>	<b>0</b>	<b>6,233</b>	<b>262,096</b>	<b>268,329</b>
<b>Operating Expenditure</b>				
<b>Contractual Commitments</b>				
Capital Ambition legacy project costs	82	0	0	82
Contribution to LOTI	100	0	0	100
Southwark Street Leasehold Costs	1,567	0	0	1,567
Leases for photocopiers	10	0	0	10
HR Metrics Infinistats contract	37	0	0	37
Northgate Fixed Costs	0	0	105	105
External audit fees	65	0	0	65
CoL Finance/Legal/HR/IT SLA	553	0	0	553
Depreciation	172	0	0	172
Grants GIFTS system support	0	10	0	10
<b>Sub-Total</b>	<b>2,586</b>	<b>10</b>	<b>105</b>	<b>2,701</b>
<b>Salary Commitments</b>				
Officers	4,843	262	694	5,799
Members	231	20	21	272
Maternity provision	40	10	30	80
<b>Sub-Total</b>	<b>5,114</b>	<b>292</b>	<b>745</b>	<b>6,151</b>
<b>Discretionary Expenditure</b>				
Learning and Development /recruitment advertising	180	7	0	187
Staff travel	8	2	0	10
Other premises costs	312	0	0	312
SS ICT support	61	0	0	61
Supplies and services	570	0	163	733
Research and Commissioning	300	0	40	340
Contribution to Health related work	100	0	0	100
Climate Change	0	0	345	345
<b>Sub-Total</b>	<b>1,531</b>	<b>9</b>	<b>548</b>	<b>2,088</b>
<b>Total Operating Expenditure</b>	<b>9,231</b>	<b>311</b>	<b>1,398</b>	<b>10,940</b>
<b>Central Recharges</b>	<b>9</b>	<b>142</b>	<b>469</b>	<b>620</b>
<b>Total Expenditure</b>	<b>9,240</b>	<b>6,686</b>	<b>263,964</b>	<b>279,890</b>



## Appendix B

### Proposed Consolidated Income Budget 2023/24

	Jt Ctte £000	Grants £000	TEC £000	Total £000
Borough contributions to TfL	0	0	220,297	220,297
Borough contributions to ATOC	0	0	16,201	16,201
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	900	900
Income from replacing lost/faulty taxicards	0	0	18	18
Borough contributions to Comcab	0	0	2,257	2,257
TfL contribution to Taxicard scheme	0	0	8,000	8,000
Borough contributions to taxicard administration	0	0	324	324
TfL Contribution to taxicard administration	0	0	129	129
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>250,744</b>	<b>250,744</b>
Borough contribution to grants payments	0	6,233	0	6,233
ESF Grant Income	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>6,233</b>	<b>0</b>	<b>6,233</b>
<b>TEC trading account income</b>				
Borough contributions to Lorry Control administration	0	0	0	0
London Lorry Control PCN income	0	0	1,200	1,200
Borough ETA appeal charges	0	0	968	968
TfL ETA appeal charges	0	0	176	176
GLA RUCA appeal income	0	0	748	748
Borough fixed parking costs	0	0	2,095	2,095
TfL fixed parking costs	0	0	233	233
GLA fixed parking costs	0	0	1,273	1,273
Borough other parking services	0	0	634	634
Northampton County Court Recharges	0	0	5,000	5,000
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>12,327</b>	<b>12,327</b>
<b>Sub-Total</b>	<b>0</b>	<b>6,233</b>	<b>263,071</b>	<b>269,304</b>
<b>Core borough subscriptions</b>				
Joint Committee	5,299	0	46	5,345
Grants Administration	0	435	0	435
TEC (inc TfL)	0	0	51	51
MPA subscription	17	0	0	17
<b>Sub-total</b>	<b>5,316</b>	<b>435</b>	<b>97</b>	<b>5,848</b>
<b>Other Borough charges</b>				
Borough contributions to HR Metrics service	101	0	0	101
<b>Sub-total</b>	<b>101</b>	<b>0</b>	<b>0</b>	<b>101</b>
<b>Other Income</b>				
Investments	75	0	0	75
Room bookings and conferences	100	0	0	100
Letting of office space	110	0	0	110
Sales of publications	18	0	0	18
Employment services trading account income	48	0	0	48
TfL secretariat recharge	0	0	31	31
Sales of Health Emergency badges	0	0	44	44
Miscellaneous income	7	0	0	7
Transfer from TEC Committee	345	0	0	345
<b>Sub-total</b>	<b>703</b>	<b>0</b>	<b>75</b>	<b>778</b>
<b>Transfer from Reserves</b>	<b>437</b>	<b>18</b>	<b>721</b>	<b>1,176</b>
<b>Central Recharges</b>	<b>2,683</b>	<b>0</b>	<b>0</b>	<b>2,683</b>
<b>Total Income Base Budget</b>	<b>9,240</b>	<b>6,686</b>	<b>263,964</b>	<b>279,890</b>

## Appendix C

Indicative Consolidated Expenditure Budget  
2024/25

	Jt Ctte £000	Grants £000	TEC £000	Total £000
<b>Payments in respect of Concessionary Fares</b>				
TfL	0	0	335,619	335,619
RDG	0	0	23,307	23,307
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	513	513
Comcab	0	0	10,257	10,257
Taxicard Administration	0	0	627	627
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>372,941</b>	<b>372,941</b>
<b>Payments for commissioned services</b>				
S.48 pan-London commissions	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
<b>Sub-Total</b>	<b>0</b>	<b>6,233</b>	<b>0</b>	<b>6,233</b>
<b>TEC Trading Account Expenditure</b>				
Payments to Adjudicators- ETA	0	0	844	844
Payments to Adjudicators - RUCA	0	0	595	595
Northgate variable contract costs - ETA	0	0	300	300
Northgate variable contract costs - RUCA	0	0	153	153
Northgate variable contract costs - Other	0	0	290	290
Payments to Northampton County Court	0	0	5,000	5,000
Lorry Control Administration	0	0	845	845
ETA/RUCA Administration	0	0	3,566	3,566
HEB Administration	0	0	43	43
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>11,636</b>	<b>11,636</b>
<b>Total Direct Services</b>	<b>0</b>	<b>6,233</b>	<b>384,577</b>	<b>390,810</b>
<b>Operating Expenditure</b>				
<b>Contractual Commitments</b>				
Capital Ambition legacy project costs	82	0	0	82
Contribution to LOTI	100	0	0	100
Southwark Street Leasehold Costs	1,182	0	0	1,182
Leases for photocopiers	10	0	0	10
HR Metrics Infinistats contract	39	0	0	39
Northgate Fixed Costs	0	0	107	107
External audit fees	66	0	0	66
CoL Finance/Legal/HR/IT SLA	564	0	0	564
Depreciation	148	0	0	148
Grants GIFTS system support	0	10	0	10
<b>Sub-Total</b>	<b>2,191</b>	<b>10</b>	<b>107</b>	<b>2,308</b>
<b>Salary Commitments</b>				
Officers	4,990	268	708	5,966
Members	236	19	22	277
Maternity provision	40	10	30	80
<b>Sub-Total</b>	<b>5,266</b>	<b>297</b>	<b>760</b>	<b>6,323</b>
<b>Discretionary Expenditure</b>				
Learning and Development /recruitment advertising	180	7	0	187
Staff travel	8	2	0	10
Other premises costs	175	0	0	175
SS ICT support	61	0	0	61
Supplies and services	580	0	164	744
Research and Commissioning	300	0	40	340
Contribution to Health related work	100	0	0	100
Climate Change	0	0	345	345
Savings & Efficiency Targets	0	-8	-648	-656
<b>Sub-Total</b>	<b>1,404</b>	<b>1</b>	<b>-99</b>	<b>1,306</b>
<b>Total Operating Expenditure</b>	<b>8,861</b>	<b>308</b>	<b>768</b>	<b>9,937</b>
<b>Central Recharges</b>	<b>10</b>	<b>127</b>	<b>401</b>	<b>538</b>
<b>Total Expenditure</b>	<b>8,871</b>	<b>6,668</b>	<b>385,747</b>	<b>401,286</b>

## Appendix D

### Indicative Consolidated Income Budget 2024/25

	Jt Ctte £000	Grants £000	TEC £000	Total £000
Borough contributions to TfL	0	0	335,619	335,619
Borough contributions to ATOC	0	0	23,307	23,307
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	900	900
Income from replacing lost/faulty taxicards	0	0	18	18
Borough contributions to Comcab	0	0	2,257	2,257
TfL contribution to Taxicard scheme	0	0	8,000	8,000
Borough contributions to taxicard administration	0	0	324	324
TfL Contribution to taxicard administration	0	0	132	132
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>373,175</b>	<b>373,175</b>
Borough contribution to grants payments	0	6,233	0	6,233
ESF Grant Income	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>6,233</b>	<b>0</b>	<b>6,233</b>
<b>TEC trading account income</b>				
Borough contributions to Lorry Control administration	0	0	0	0
London Lorry Control PCN income	0	0	1,200	1,200
Borough ETA appeal charges	0	0	968	968
TfL ETA appeal charges	0	0	176	176
GLA RUCA appeal income	0	0	748	748
Borough fixed parking costs	0	0	2,137	2,137
TfL fixed parking costs	0	0	238	238
GLA fixed parking costs	0	0	1,298	1,298
Borough other parking services	0	0	634	634
Northampton County Court Recharges	0	0	5,000	5,000
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>12,399</b>	<b>12,399</b>
<b>Sub-Total</b>	<b>0</b>	<b>6,233</b>	<b>385,574</b>	<b>391,807</b>
<b>Core borough subscriptions</b>				
Joint Committee	5,299	0	46	5,345
Grants Administration	0	435	0	435
TEC (inc TfL)	0	0	51	51
MPA subscription	17	0	0	17
<b>Sub-total</b>	<b>5,316</b>	<b>435</b>	<b>97</b>	<b>5,848</b>
<b>Other Borough charges</b>				
Borough contributions to HR Metrics service	101	0	0	101
<b>Sub-total</b>	<b>101</b>	<b>0</b>	<b>0</b>	<b>101</b>
<b>Other Income</b>				
Investments	75	0	0	75
Room bookings and conferences	125	0	0	125
Letting of office space	110	0	0	110
Sales of publications	18	0	0	18
Employment services trading account income	48	0	0	48
TfL secretariat recharge	0	0	31	31
Sales of Health Emergency badges	0	0	45	45
Miscellaneous income	7	0	0	7
Transfer from TEC Committee	345	0	0	345
<b>Sub-total</b>	<b>728</b>	<b>0</b>	<b>76</b>	<b>804</b>
<b>Transfer from Reserves</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Central Recharges</b>	<b>2,726</b>	<b>0</b>	<b>0</b>	<b>2,726</b>
<b>Total Income Base Budget</b>	<b>8,871</b>	<b>6,668</b>	<b>385,747</b>	<b>401,286</b>

## Appendix E

### Indicative Consolidated Expenditure Budget 2025/26

	Jt Ctte £000	Grants £000	TEC £000	Total £000
<b>Payments in respect of Concessionary Fares</b>				
TfL	0	0	416,398	416,398
RDG	0	0	26,493	26,493
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	522	522
Comcab	0	0	10,257	10,257
Taxicard Administration	0	0	640	640
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>456,928</b>	<b>456,928</b>
<b>Payments for commissioned services</b>				
S.48 pan-London commissions	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
<b>Sub-Total</b>	<b>0</b>	<b>6,233</b>	<b>0</b>	<b>6,233</b>
<b>TEC Trading Account Expenditure</b>				
Payments to Adjudicators- ETA	0	0	844	844
Payments to Adjudicators - RUCA	0	0	595	595
Northgate variable contract costs - ETA	0	0	300	300
Northgate variable contract costs - RUCA	0	0	153	153
Northgate variable contract costs - Other	0	0	290	290
Payments to Northampton County Court	0	0	5,000	5,000
Lorry Control Administration	0	0	862	862
ETA/RUCA Administration	0	0	3,638	3,638
HEB Administration	0	0	44	44
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>11,726</b>	<b>11,726</b>
<b>Total Direct Services</b>	<b>0</b>	<b>6,233</b>	<b>468,654</b>	<b>474,887</b>
<b>Operating Expenditure</b>				
<b>Contractual Commitments</b>				
Capital Ambition legacy project costs	82	0	0	82
Contribution to LOTI	100	0	0	100
Southwark Street Leasehold Costs	1,125	0	0	1,125
Leases for photocopiers	11	0	0	11
HR Metrics Infinistats contract	41	0	0	41
Northgate Fixed Costs	0	0	109	109
External audit fees	68	0	0	68
CoL Finance/Legal/HR/IT SLA	576	0	0	576
Depreciation	151	0	0	151
Grants GIFTS system support	0	10	0	10
<b>Sub-Total</b>	<b>2,154</b>	<b>10</b>	<b>109</b>	<b>2,273</b>
<b>Salary Commitments</b>				
Officers	5,090	273	722	6,085
Members	240	19	22	281
Maternity provision	40	10	30	80
<b>Sub-Total</b>	<b>5,370</b>	<b>302</b>	<b>774</b>	<b>6,446</b>
<b>Discretionary Expenditure</b>				
Learning and Development /recruitment advertising	180	7	0	187
Staff travel	8	2	0	10
Other premises costs	224	0	0	224
SS ICT support	61	0	0	61
Supplies and services	591	0	165	756
Research and Commissioning	300	0	40	340
Contribution to Health related work	100	0	0	100
Climate Change	0	0	345	345
Savings & Efficiency Targets	-57	-20	-710	-787
<b>Sub-Total</b>	<b>1,407</b>	<b>-11</b>	<b>-160</b>	<b>1,236</b>
<b>Total Operating Expenditure</b>	<b>8,931</b>	<b>301</b>	<b>723</b>	<b>9,955</b>
<b>Central Recharges</b>	<b>10</b>	<b>134</b>	<b>411</b>	<b>555</b>
<b>Total Expenditure</b>	<b>8,941</b>	<b>6,668</b>	<b>469,789</b>	<b>485,398</b>

## Appendix F

### Indicative Consolidated Income Budget 2025/26

	Jt Ctte £000	Grants £000	TEC £000	Total £000
Borough contributions to TfL	0	0	416,398	416,398
Borough contributions to ATOC	0	0	26,493	26,493
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	900	900
Income from replacing lost/faulty taxicards	0	0	18	18
Borough contributions to Comcab	0	0	2,257	2,257
TfL contribution to Taxicard scheme	0	0	8,000	8,000
Borough contributions to taxicard administration	0	0	324	324
TfL Contribution to taxicard administration	0	0	132	132
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>457,140</b>	<b>457,140</b>
Borough contribution to grants payments	0	6,233	0	6,233
ESF Grant Income	0	0	0	0
<b>Sub-total</b>	<b>0</b>	<b>6,233</b>	<b>0</b>	<b>6,233</b>
<b>TEC trading account income</b>				
Borough contributions to Lorry Control administration	0	0	0	0
London Lorry Control PCN income	0	0	1,200	1,200
Borough ETA appeal charges	0	0	968	968
TfL ETA appeal charges	0	0	176	176
GLA RUCA appeal income	0	0	748	748
Borough fixed parking costs	0	0	2,180	2,180
TfL fixed parking costs	0	0	243	243
GLA fixed parking costs	0	0	1,324	1,324
Borough other parking services	0	0	634	634
Northampton County Court Recharges	0	0	5,000	5,000
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>12,473</b>	<b>12,473</b>
<b>Sub-Total</b>	<b>0</b>	<b>6,233</b>	<b>469,613</b>	<b>475,846</b>
<b>Core borough subscriptions</b>				
Joint Committee	5,299	0	46	5,345
Grants Administration	0	435	0	435
TEC (inc TfL)	0	0	51	51
MPA subscription	17	0	0	17
<b>Sub-total</b>	<b>5,316</b>	<b>435</b>	<b>97</b>	<b>5,848</b>
<b>Other Borough charges</b>				
Borough contributions to HR Metrics service	101	0	0	101
<b>Sub-total</b>	<b>101</b>	<b>0</b>	<b>0</b>	<b>101</b>
<b>Other Income</b>				
Investments	75	0	0	75
Room bookings and conferences	150	0	0	150
Letting of office space	110	0	0	110
Sales of publications	18	0	0	18
Employment services trading account income	49	0	0	49
TfL secretariat recharge	0	0	31	31
Sales of Health Emergency badges	0	0	48	48
Miscellaneous income	8	0	0	8
Transfer from TEC Committee	345	0	0	345
<b>Sub-total</b>	<b>755</b>	<b>0</b>	<b>79</b>	<b>834</b>
<b>Transfer from Reserves</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Central Recharges</b>	<b>2,769</b>	<b>0</b>	<b>0</b>	<b>2,769</b>
<b>Total Income Base Budget</b>	<b>8,941</b>	<b>6,668</b>	<b>469,789</b>	<b>485,398</b>

# Executive (sitting as the Appointments Panel)

---

## Nominations to Outside Bodies

Item no: 8

**Report by:** Alan Edwards      **Job title:** Governance Manager  
**Date:** 8 November 2022  
**Contact Officer:** Alan Edwards and Christiane Jenkins  
**Telephone:** 020 7934 9540      **Email:** [Christiane.jenkins@londoncouncils.gov.uk](mailto:Christiane.jenkins@londoncouncils.gov.uk)  
020 7934 9911      [Alan.e@londoncouncils.gov.uk](mailto:Alan.e@londoncouncils.gov.uk)

**Summary:** This report provides the Executive in it's capacity as the Appointments Panel, with details of London Councils' nominations/appointments made to outside bodies

**Recommendations:** The Executive is recommended to note the proportionality of London Councils appointments to outside bodies

## Nominations to Outside Bodies

### Background

1. In 2003, London Councils' Elected Officers, acting in their capacity as its Appointments Panel, agreed to delegate the making of nominations to outside bodies to the Chief Executive within agreed guidelines and acting on Nolan principles. The guidelines were refined in 2012 with a fresh set of principles agreed – see Appendix One (which were reviewed at Leaders' Committee on 4 June 2019).

### Principles applied in making nominations

2. We aspire to reflect the broad balance of the party groups on Leaders' Committee in the distribution and of nominations to outside bodies. A report goes to the May meeting of the Executive each year<sup>1</sup> to that end, with a status update on the London Councils nominated members to outside bodies.
3. An analysis of the total number of party group members appointed to outside bodies can be found in Appendix Two. For these purposes, the outside bodies are sub-divided into four categories:

***First tier bodies*** - which are defined as having significant Mayoral sponsorship, where the policy priorities of London Councils proactively seeking to influence an agenda are of the highest order or where there are significant financial implications for the boroughs. Members on first tier bodies can expect to receive briefings from officers;

***Second tier bodies*** - where London Councils is acting as a facilitator to help bring the experience and expertise of borough councillors to the service of various bodies where there would be broad mutual benefit in doing so, but where no significant additional resource would be committed in terms of additional briefing or support;

***Other policy*** - which includes Culture, Tourism, Sport, Regeneration, Housing, Crime, Health and Adult Care, Health Equality; and

***Additional bodies*** - Employers Organisation, Grants and Migration and Pensions.

---

<sup>1</sup> In a London local government election year, the report is presented after the AGM

4. As can be seen from the grid at Appendix Two, the broad proportionality of total appointments to outside bodies is in line with the respective proportionate strengths of the party groups on Leaders' Committee. The full list of appointments to outside bodies is listed in detail in Appendix Three.

- **Financial Implications:** Where remunerated, payments are made by the appointing body and there are, therefore, no financial implications arising directly from this report;
- **Legal Implications:** In making appointments London Councils complies with relevant legislation. It also seeks to comply with the 'Nolan' Seven Principles of Public Life;
- **Equalities Implications:** There are no specific equalities implications for London Councils.

**Recommendation:**

The Executive is recommended to note the proportionality of London Councils appointments to outside bodies.

**Appendices:**

- **Appendix One:** Nomination Principles – 2012 (reviewed 2019)
- **Appendix Two:** An analysis of the proportionality of the total number of Labour, Conservative and Liberal Democrat members appointed to outside bodies
- **Appendix Three:** London Councils' Nominations to Outside Bodies



## **Appendix One**

### **Principles to be applied in making appointments**

**Agreed by London Councils Leaders' Committee Executive 29 May 2012**

#### **Introduction**

Appointments to outside bodies have been delegated by members to the Chief Executive. These appointments will be made by the Chief Executive in consultation with members as appropriate. In making appointments the Chief Executive will apply the Particular Principles (1, below) first but will also seek to ensure that nothing is done to depart from the General Principles (2, below). General Conditions (3, below) are included for guidance.

#### **1 Particular Principles**

##### a) In cases where a single appointment is required

- (i) In first instance the relevant portfolio-holder will be considered and if that is not a suitable appointment then the Chief Executive will consult members on an alternative candidate.

##### b) In cases where an outside body requires more than a single appointment

- (i) The first principle to be applied in such cases is any reasonable external requirement placed on London Councils in making the appointments<sup>1</sup>.
- (ii) The second principle to be applied, if the first principle does not obtain, is that the number of appointments made from each political party reflects the balance of the parties on Leaders' Committee<sup>2</sup> at that time.

---

<sup>1</sup> For example, the mechanism employed in determining the number of appointments for each political party made by London Councils to the former London Fire and Emergency Planning Authority was set out in legislation – the Greater London Authority Act 1999: a Leader of a Borough – with Royal Parks, a Chair of a Pension Committee for London CIV.

<sup>2</sup> This will be determined by the application of the d'Hondt formula.

## 2 General Principles

- (i) When the Chief Executive is applying the particular principles set out above, they will seek to reflect any particular interest that the body to be appointed to has expressed to London Councils<sup>3</sup>.
- (ii) The Chief Executive will also be mindful of other factors that it would be reasonable or proper for London Councils to consider, for example specialist knowledge, stability of service, diversity as well as applying the Nolan principles set out below and the Chief Executive may - in consultation with members – override the principles set out above when there is a compelling case to do so.
- (iii) All public bodies are under a duty to follow the *Seven Principles of Public Life* set out by the Committee for Standards in Public Life, formerly chaired by Lord Nolan (the principles are often called the *Nolan Principles*). In particular, the Chief Executive will seek to ensure that the following three Nolan principles are applied:

### **Objectivity**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

### **Accountability**

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.<sup>4</sup>

### **Openness**

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

---

<sup>3</sup> For example, outside bodies occasionally ask for cross-party appointments.

<sup>4</sup> Members will be expected to regularly attend meetings of the bodies they are appointed to and may be accountable to and from, London Councils for their actions in that capacity.

- (iv) The Chief Executive will give consideration to the members of the Corporation of London when making any appointments to outside bodies.

### **3 General conditions**

- (i) When an appointment to an outside body ceases to be a member of a London local authority, London Councils will, in general, take whatever steps are necessary to remove them from that outside body.
- (ii) At a freeze date, being the date of the meeting of the London Councils Executive in May of each year, a report will be brought to that meeting setting out the total number of appointments made to outside bodies for each of the political parties with a calculation of how this reflects the agreed principles (above) for appointments and the variation from the balance of the parties on Leaders' Committee.
- (iii) Any variations in proportionality to be dealt with by the groups and whips.

## Appendix Two

### Number of party group members appointed to outside bodies

The tables below reflect cross-party representation as far as can be achieved.

#### First tier bodies<sup>1</sup>

Body	Lab	Con	LD	Total
Lee Valley Regional Park Authority (LVRPA) <sup>2</sup>	5	3		8
ReLondon (formerly LWARB)	3	1		4
London Crime Reduction Board	2	1	1	4
Homes for Londoners Board	2	1	1	4
London Health Board <sup>3</sup>	3	1	1	5
Skills for Londoners Board	4		1	5
London Economic Action Partnership Board (LEAP)	2		1	3
Royal Parks Board	2		1	3
The Thames Regional Flood and Coastal Committee (Thames RFCC)	5	1	1	7
Transport for London Board	1			1
Transport Funding Sub Group	3	2	1	6
Surface Water Flooding Strategic Group	3	2	1	6
<b>Total</b>	<b>35</b>	<b>12</b>	<b>9</b>	<b>56</b>

#### Second tier bodies<sup>4</sup>

##### Transport and Environment

Body	Lab	Con	LD	Total
Heathrow Airport Consultative Committee	1			1
London Sustainable Development Commission	1			1
Urban Design London	1	1		2
London City Airport Consultative Committee (LCACC)	1			1
London Fuel Poverty Partnership	1			1
<b>Total</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>6</b>

<sup>1</sup> First tier bodies are defined as having significant Mayoral sponsorship, where the policy priorities of London Councils proactively seeking to influence an agenda are of the highest order or where there are significant financial implications for the boroughs. Members on first tier bodies can expect to receive briefings from officers.

<sup>2</sup> Proportionality would have given 6 Lab, 2 Con but Lab relinquished 1 to the Conservatives making 5:3:0, as the LD place could not be filled.

<sup>3</sup> Each ICS footprint should have a nomination.

<sup>4</sup> Second tier bodies are where London Councils is acting as a facilitator to help bring the experience and expertise of borough councillors to the service of various bodies where there would be broad mutual benefit in doing so, but where no significant additional resource would be committed in terms of additional briefing or support.

### Other policy<sup>5</sup>

Body	Lab	Con	LD	Total
Arts Council England, London Area Council	2	1	1	4
Mayor's Cultural Leadership Board		1		1
Board of Sport London	1	1		2
Museum of London Board	1			1
European Structure and Investment Funds (ESIF) Committee	1			1
London Marathon Charitable Trust		1		1
CONTEST Board	1			1
Mayor's Infrastructure High Level Group	1			1
LEAP Investment Committee	1			1
Young People's Education & Skills Board (YPES)	1	1		2
Health Equality Group	1			1
<b>Total</b>	<b>10</b>	<b>5</b>	<b>1</b>	<b>16</b>

### Additional bodies<sup>6</sup>

Body	Lab	Con	LD	Total
National Association of Regional Employers	1	1		2
CEEP (Centre Européen des Entreprises à Participation Publique et des Entreprises d'Intérêt Economique Général	1			1
The Trust for London	1			1
London Strategic Migration Partnership	1			1
NEDS to the London Pension CIV & London Pension Fund Authority (LPFA)	1	1		2
<b>Total</b>	<b>5</b>	<b>2</b>	<b>0</b>	<b>7</b>

<b>Grand Total</b>	<b>55</b>	<b>20</b>	<b>10</b>	<b>85</b>
<b>Strict proportionality<sup>7</sup></b>	<b>59</b>	<b>17</b>	<b>9</b>	<b>85</b>

---

<sup>5</sup> Culture, Tourism, Sport, Regeneration, Housing, Crime, Health and Adult Care, Health Equality

<sup>6</sup> Employers Organisation, Grants and Migration, Pensions

<sup>7</sup> Working on the basis that as at 5 May 2022, the breakdown on Leaders' Committee of the 32 boroughs controlled by the three-party groups was 21 Lab (%), 6 Con (%) and 3 Lib Dem (%).

## London Councils' Nominations to Outside Bodies 2022/23

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
<b>1. Corporate</b>		
<b>Lee Valley Regional Park Authority (LVRPA)</b>	<p><b>Labour</b>  Cllr Ross Houston (LB Barnet)  Cllr Janet Burgess (LB Islington)  Cllr Heather Johnson (LB Camden)  Cllr David Gardner (RB Greenwich)  Cllr Josh Blacker (LB Ealing)</p> <p><b>Conservative</b>  Cllr. Paul Osborn (LB Harrow)  Cllr Nicholas Bennett (LB Barnet)  One Conservative Vacancy to be filled in 2023</p> <p><b>Liberal Democrat</b>  X 1 Liberal Democrat Vacancy – No Liberal Democrat nomination available. Will be filled with a Conservative nomination in early 2023.</p> <p><u>Officer:</u> Alan Edwards</p>	<p>London Councils has taken on responsibility to make borough nominations that originally rested with the GLC. London Councils nominates eight councillors from non-riparian boroughs for a 4-year term, a process which began in June 2001 and was, therefore, last made on 21 July 2021. There is an arrangement with LVRPA that London Councils nominations on behalf of the non-riparian boroughs is revisited after each set of council elections to take account of members who are not re-elected and any changes in proportionality. <i>The proportional breakdown after the elections on 5 May 2022 (based on number of councils controlled) was 5 Labour and 2 Conservative and 1 Liberal Democrat.</i> However, the Liberal Democrat place could not be filled and has currently been given to the Conservative Group. The Conservative Group will fill this vacancy in early 2023. The LVRPA meets approximately 5 times per annum.</p>
<b>London Recovery Board</b>	<p>Cllr Georgia Gould (LB Camden, Lab)  Cllr Darren Rodwell (LB Barking &amp; Dagenham, Lab)  Cllr Teresa O'Neill OBE (LB Bexley, Con)  Cllr Ruth Dombey OBE (LB Sutton, Lib Dem)  – Deputy Christopher Hayward, (City of London Corporation, Ind)</p>	<p>The London Recovery Board is co-ordinating engagement at a pan-London level and is Co-Chaired by Cllr Georgia Gould, the Chair of London Councils, together with the Mayor of London, and also includes the London Councils' Deputy Chair and the three Vice-Chairs.</p> <p>The London Recovery Board is currently in transition and will be replaced by a newly formed group shortly. As a consequence of this, The Board has not been placed in table 1 at Appendix 2 of the</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
		report. Further details will be forthcoming.
<b>Transport for London Board</b>	Cllr Kieron Williams (Leader of LB Southwark, Lab)  <u>Officer:</u> Stephen Boon	Cllr Williams has been appointed to the TfL Board and replaces Cllr Julian Bell as the London boroughs' representative. This is the second such appointment, which comes after successful lobbying of TfL and the Mayor highlighting the importance of having local authority representation on the TfL Board.
<b>Transport Funding Sub Group</b>	Cllr Deidre Costigan (LB Ealing, Lab, Chair) Cllr Clyde Loakes (LB Waltham Forest, Lab) Cllr Rezina Choudhury (LB Lambeth, Lab) Cllr Cem Kemahli (RB K & C) Cllr Nicholas Bennett (LB Bromley. Con) Cllr Alex Ehmann (LB Richmond)	<p>The Transport Funding Subgroup is a sub-Committee of TEC, formed to consider a coordinated, pan-London response to transport funding challenges.</p> <p>The aim of the sub group is to consider the issues related to transport funding across the London boroughs and coordinate a joint, strategic approach.</p> <p>The group is comprised of six members, three drawn from the Labour Party, two from the Conservative Party and one from the Liberal Democrat Party. The TEC vice chairs will form 3 of the six Members of this sub group.</p> <p>The sub group reports back to TEC and its Executive, having no delegated authority of its own.</p>
<b>2. Transport and Environment Committee</b>		
<b>Heathrow Airport Consultative Committee (HACC)</b>	<u>Main Rep:</u> Cllr Shantanu Rajawat (LB Hounslow, Lab)  <u>Deputy:</u> No deputy given	The HACC is a statutory "watchdog" for Heathrow Airport which reviews all matters of interest to stakeholders in London relating to Heathrow Airport, including surface access, employment and safety



Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
	<u>Officer:</u> Alan Edwards	and operational issues. Meetings are held at Heathrow every two months. London Councils makes one nomination per year, and one deputy.
<b>Thames Regional Flood and Coastal Committee (Thames RFCC)</b>	<p><b>Labour</b>  South East – Cllr Averil Lekaul (RB Greenwich)  North East – Cllr Syed Ghani (LB Barking &amp; Dagenham)  Central South – Cllr Catherine Rose (LB Southwark)  Central North – Cllr Sharon Holder (LB Hammersmith &amp; Fulham)  North – Cllr Mike Hakata (LB Haringey)</p> <p><b>Conservative</b>  West - Cllr Anjana Patel (LB Harrow)</p> <p><b>Liberal Democrat</b>  South West – Cllr Julia Neden-Watts (LB Richmond)</p> <p><u>Officer:</u> Alan Edwards</p>	<p>The Thames Regional Flood and Coastal Committee (Thames RFCC) was established by the Environment Agency (EA) under the Flood and Water Management Act 2010. It brings together members appointed by Lead Local Flood Authorities (LLFAs) and independent members with relevant experience to ensure there are coherent plans for identifying and managing flood risks, to ensure investment is value for money and efficient, and provide links between the EA and LLFAs.</p> <p>Borough membership of the Committee (7 borough members) is made through London Councils' TEC. Nominations are made on a yearly basis, and the current representatives are for 2021/22. The Thames RFCC meets quarterly.</p>
<b>London Sustainable Development Commission (LSDC)</b>	<p>Cllr Jo Blackman (RB Redbridge)</p> <p><u>Officer:</u> Alan Edwards</p>	<p>The LSDC works to develop a coherent approach to sustainable development throughout London, not only to improve the quality of life of Londoners today and for generations to come but also to reduce London's footprint on the rest of the UK and the world. Our members' role is to ensure that the views of London boroughs are represented on the Commission and the work they are undertaking, including the setting of performance indicators. Meetings take place every quarter and nominations are made on an annual basis.</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
<b>Urban Design London (UDL)</b>	<p>Cllr Nigel Haselden (LB Lambeth, Lab) Cllr Johnny Thalassites (RB Kensington &amp; Chelsea, Con)</p> <p><u>Officer:</u> Alan Edwards</p>	<p>The UDL aims to help practitioners create and maintain well-designed, good quality places. It does this through events, training, networking and online advice. Nominations take place on an annual basis. UDL meets 3 to 4 times per annum. Councillor Johnny Thalassites has recently been nominated by the Conservative Group for 2022/23.</p>
<b>ReLondon</b>	<p>Cllr Nesil Caliskan (LB Enfield, Lab) Cllr Claire Holland (LB Lambeth, Lab) Cllr Krupa Sheth (LB Brent, Lab) Cllr Nicholas Bennett (LB Bromley, Con) Chantelle Nicolson (Independent) Joe Murphy (Independent)</p> <p><u>Officer:</u> Alan Edwards</p>	<p>The Greater London Authority (GLA) Act 2007 provides the legal framework for the establishment of a statutory Board to facilitate waste management across London - the London Waste and Recycling Board (LWARB), now ReLondon. The objective of the Board is to promote and encourage the production of less waste, an increase in the proportion of waste that is re-used or recycled and the use of methods of collection, treatment and disposal of waste which are more beneficial to the environment.</p> <p>ReLondon's membership and constitution are set out in the London Waste and Recycling Board Order 2008. The Board is an eight-member Board and the chair is nominated by the Mayor of London, currently Liz Goodwin OBE.</p> <p>Appointments to ReLondon are for four years (renewable once). The nominations for Councillor Holland and Councillor Sheth and the two Independent members run 11 August 2020 to 10 August 2024. The appointment for Councillor Caliskan runs from 21 January 2020 to 20 January 2024.</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
		<b><i>Appointments to ReLondon are remunerated.</i></b>
<b>London City Airport Consultative Committee (LCACC)</b>	<p>Cllr Jo Blackman (LB Redbridge, Lab)</p> <p><u>Officer:</u> Alan Edwards</p>	<p>The London City Airport Consultative Committee (LCACC) was set up by London City Airport in 1986 as a consultative body whose membership represents users of the airport, local authorities in whose area the airport is situated or whose area is in the neighbourhood of the airport and other organisations representing local communities. Its primary function is to serve as an organised forum in which the Airport can inform its stakeholders of current issues and seek their feedback.</p> <p>The membership includes representatives from the boroughs most directly affected by the Airport's operations namely Newham (three members as required by the Airport's S106 planning agreement), Tower Hamlets, Greenwich, Bexley and Barking and Dagenham. Recent changes by National Air Traffic Services to flight paths in the Terminal Control North area mean that increasingly residents of other boroughs are also affected by the Airport's operations, particularly those in Waltham Forest, Redbridge and Havering. In January 2010, the LCACC invited London Councils to nominate a representative from one of these boroughs to represent all three of them on the Committee. Nominations are on an annual and this is done on a revolving basis with each borough taking the seat on the committee in turn. It is now the turn of Waltham Forest to represent the Committee for 2021/22.</p> <p>The LCACC meets four times a year.</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
<b>London Fuel Poverty Partnership</b>	<p>Cllr Natasha Irons (LB Merton, Lab)</p> <p><u>Officer:</u> Alan Edwards</p>	<p>In May 2018 the Mayor established the London Fuel Poverty Partnership to deliver his Fuel Poverty Action Plan. The partnership brings together stakeholders from sectors including local government, social housing, landlords, tenants, health, social care, academic, charities, energy suppliers and the energy efficiency industry. The group aims to not only assist the Mayor in delivering fuel poverty support but also works across support services to identify households living in fuel poverty, so they can get the support they need. The Partnership encourages all sectors and organisations to play their part and its members act as advocates for improvements in policy and delivery.</p> <p>Alongside London Councils the Association of Local Energy Officers (ALEO) London and the London Association of Directors of Adult Social Services (London ADASS) are represented. The Partnership meets three times a year.</p> <p>The Partnership is co-chaired by Shirley Rodrigues, Deputy Mayor for Environment &amp; Energy, and Debbie Weekes-Bernard, Deputy Mayor for Social Integration, Social Mobility and Community Engagement.</p>
<b>Surface Water Flooding Strategic Group</b>	<p>Mayor Philip Glanville (TEC Chair, LB Hackney, Lab)</p> <p>Cllr Deidre Costigan (TEC Vice Chair, LB Ealing, Lab)</p> <p>Cllr Cem Kemahli (TEC Vice Chair, RB Kensington &amp; Chelsea)</p>	<p>London Councils' TEC officers with colleagues from GLA, Thames Water, Environment Agency and others, have been undertaken some work on the development of a pan-London strategic group,</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
	<p>Cllr Alex Ehmann (TEC Vice Chair LB Richmond, Lib Dem)  Cllr Sharon Holder (LB Hammersmith &amp; Fulham, Lab – Thames RFCC)  Cllr Anjana Patel (LB Harrow, Con – Thames RFCC)</p> <p><u>Officer: Simon Gilby</u></p>	<p>which will be set up to oversee the development of a vision, strategy and implementation plan for surface water flood risk management across London. This work started after the terrible flooding that happened in London in 2021 and where the response to these floods showed that London needed to get a lot better at dealing with this type of flood.</p> <p>The function of the Strategic Group is to lead the development and delivery of the Surface Water Management Vision, Strategy and Implementation Plan for London.</p>
<b>3. London Pension CIV (Collective Investment Vehicle) &amp; London Pension Fund Authority (LPFA)</b>		
<b>London Pension CIV &amp; London Pension Fund Authority (LPFA)</b>	<p>The two shareholders nominated and ratified Non-Executive Board Members (NEDs) are:</p> <p>Cllr Ravi Govindia CBE (LB Wandsworth, Con) and Cllr Peter Mason (LB Ealing, Lab)</p> <p>The nominated and ratified members of the Shareholder Committee are:</p> <p>Cllr Howard Jackson, LB Bexley (Conservative)  Cllr Keith Onslow, LB Bromley (Conservative)  Cllr Rishi Madhani, LB Camden (Labour)</p>	<p>Nominations are made via the London Councils collective political processes for the appointment of two Non-Executive Directors, who are representative of the shareholders (expected to be Leaders of London Local Authorities), subject to formal appointment by the Board in accordance with the articles and FCA requirements. The appointment is for a three-year term and may be renewed. The term of office for Cllr Ravi Govindia, Wandsworth will end in 2022/23. Cllr Peter Mason was appointed in September 2021.</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
	<p>Cllr Rob Chapman, LB Hackney (Labour) Cllr David Ashton, LB Harrow (Conservative) Cllr Mark Beynon, RB Kingston upon Thames (Liberal Democrat)</p> <p>The third Labour nominee TBC</p> <p>Alternate: Cllr Ian Craigie, LB Richmond (Liberal Democrat)</p> <p>Alternates for Conservatives and Labour TBC</p> <p><u>Officer:</u> Christiane Jenkins</p>	<p>A Treasurer Observer is nominated by SLT direct to London CIV but is not a member of the London CIV Board (currently Ian Williams (LB Hackney))</p> <p><b>Shareholder Committee</b></p> <p>There is a Shareholder Committee of the London CIV ("the Committee"), which is a consultative body, with responsibility to identify emerging issues of importance, be consulted on Matters Reserved to Shareholders (including the business plan and budget), discuss business and financial performance, and topics such as Responsible Investment. There are 12 Committee Members made up of 8 Local Authority Pension Committee Chairs (or equivalent) and 4 Local Authority Treasurers. The Chair of the Board of London CIV is also be a member of the Committee. The nominations of elected members are made via the London Councils collective political processes and the Society of London Treasurers in the case of Treasurers, for formal appointment at the London CIV AGM. There is also a Trade Union member nominated via the London Councils and Joint Secretaries (Greater London Provincial Council).</p> <p>The Shareholders meet at two General Meetings of London CIV each year, one to approve the budget, and an AGM.</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
		<p>The Chair is Cllr Rishi Madlani (LB Camden)</p> <p>The Chair and CEX of the London Pension CIV attend for an annual update to Leaders' Committee, usually at its February Committee.</p>
<b>4. Regeneration including Culture and Tourism</b>		
<b>London Economic Action Partnership (LEAP) Board</b>	<p>Cllr Georgia Gould (LB Camden, Lab)</p> <p>One Labour Vacancy</p> <p>Cllr Elizabeth Campbell (RB Kensington &amp; Chelsea, Con)</p> <p><u>Officer:</u> Dianna Neal</p>	<p>The LEAP is London's Local Enterprise Partnership. Its membership is drawn from London's business community, the GLA and local authorities. The Mayor of London chairs the Board. There are three elected borough members on the LEAP Board although in June 2018 London Councils wrote to the Mayor asking for there to be a 'small extension' to this. However, this application was refused as MHCLG guidance made clear these bodies should be business-led and an increase in local government representation would have to be matched by business representation making it expensive and unmanageable. The business membership is formed through an application process, separate to the London Councils' process. LB Newham also nominates a representative to the Board because of the Royal Docks Enterprise Zone. The Partnership meets quarterly, with further meetings scheduled if required. There are currently three sub-committees of the LEAP Board – an Investment Sub-Committee and the ESIF</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
		<p>Committee, with one member representing London Councils on each; as well as the Royal Docks Enterprise Zone Programme Board that has local representation on it from LB Newham.</p> <p>Nominations are made on an annual basis</p>
<b>European Structural and Investment Funds (ESIF) Committee</b>	<p>Cllr David Gardner (RB Greenwich, Lab)</p> <p><u>Officer:</u> Dianna Neal</p>	<p>The ESIF Committee provides advice to the GLA on local development needs and opportunities to inform any changes to ESIF Operational Programmes and Funds Strategies. It is also a sub-committee of the London Economic Action Partnership (LEAP) Board. It meets on a quarterly basis.</p> <p>Membership is for a 3-year term.</p>
<b>LEAP Investment Committee</b>	<p>Cllr Adam Hug (City of Westminster, Lab)</p> <p><u>Officer:</u> Dianna Neal</p>	<p>The Investment Committee is responsible for overseeing and managing the LEAP's programmes and projects. It is a sub-committee of the LEAP Board and is chaired by the Deputy Mayor for Planning, Regeneration &amp; Skills.</p>
<b>Skills for Londoners Board</b>	<p>Mayor Rokhsana Fiaz (Newham, Labour)</p> <p>Cllr Barry Rawlings (Barnet, Labour)</p> <p>Cllr Gareth Roberts (Richmond, Lib Dem)</p> <p>Cllr Carole Williams (Hackney, Labour)</p> <p>Cllr Nesil Caliskan (Enfield, Labour)</p> <p><u>Officer:</u> Dianna Neal</p>	<p>Skills for Londoners brings together experts and key stakeholders to advise the Greater London Authority on delivery of the devolved Adult Education Budget (AEB), Mayor's manifesto commitments on skills and the role of skills in London's economic development.</p> <p>London Councils nominates five Leaders to the Skills for Londoners Board. The nominations consist of the chairs of the four sub-regional skills and employment boards (identified by sub-regional partnerships) and London Councils' Executive</p>



Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
		Member for skills and employment.
<b>Arts Council England (ACE), London Area Council</b>	<p>Cllr Darren Rodwell (LB Barking and Dagenham, Lab)  Cllr Emma Will, RBKC, Con)  One Labour Vacancy  Cllr Andreas Kirsch (Kingston, LD)</p> <p><u>Officer:</u> Dianna Neal</p>	ACE London Area Council is one of the main funders of arts in London. It ensures strategic input and borough views are fed into funding and other decisions around arts across London.
<b>The Mayor's Cultural Leadership Board</b>	<p>Cllr Elizabeth Campbell (RBKC, Con)</p> <p><u>Officer:</u> Dianna Neal</p>	Members are appointed by the Mayor, but London Councils nominates one member. The Board (formally known as the London Cultural Leadership Board) will advise the Mayor on his cultural programme and policy in London.
<b>Board of London Sport</b>	<p>Cllr Ross Garrod (LB Merton, Lab)  Cllr Paul Osborn (LB Harrow, Con)</p> <p><u>Officer:</u> Dianna Neal</p>	Board of London Sport was set up in July 2009, to oversee the implementation of the Mayoral Sports Legacy plan and to play a broad, overarching role in coordinating activity across the city. Major funder of sport and leisure in London. Nominations are sought every four years.
<b>Royal Parks Board</b>	<p>Cllr Gareth Roberts (LB Richmond, Lib Dem) (from Feb 2022 to 2026)  Cllr Anthony Okereke (RB Greenwich, Lab)  Cllr Adam Hug (City of Westminster, Lab)</p> <p><u>Officer:</u> Dianna Neal</p>	The Royal Parks Board oversees the management of the Royal Parks in London. The Mayor appoints Board members, subject to the agreement of the Secretary of State for Culture, Media and Sport. London Councils nominations have historically been tied to Leaders of Boroughs with Royal Parks within them. The Board is responsible for overseeing the Agency's activities, advising on the Agency's priorities, planning, policy and performance; encouraging local engagement; and promoting philanthropy.

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
		<p>London Councils made a request in the summer for the Royal Parks Board to allow a 4<sup>th</sup> nomination from London councils. This was not agreed.</p> <p>Subsequently, we put forward a Labour Group proposal that would have meant that Westminster and Greenwich would rotate their membership (with the non-sitting member remaining as an observer) to allow for the Conservative Group to have a place on the Board, as the request for a fourth place was not accepted. This compromise proposal has also been rejected by Royal Parks.</p> <p>We will continue to press for an additional nomination so we can have cross -party representation that also recognises the balance of political power across London.</p>
<b>Museum of London Board</b>	<p>Cllr Comer-Schwartz (LB Islington, Lab)</p> <p><u>Officer:</u> Dianna Neal</p>	<p>The Board is the strategic decision-making body of the Museum. It is made up of 18 governors (9 appointed by the Mayor of London; 9 by the City of London including one representative of London Councils). The Board meets quarterly. Governors are appointed for four years and can be re-elected.</p>
<b>London Marathon Charitable Trust</b>	<p>Cllr Robert Rigby (City of Westminster, Con)</p> <p>John Austin (former MP for Erith and Thamesmead)</p> <p><u>Officer:</u> Dianna Neal</p>	<p>London Marathon Charitable Trust Ltd is a charity and a company that owns London Marathon Ltd, which organises the Virgin London Marathon, Adidas Half Marathon, Bupa London 10000 and the Standard Chartered Great City Race. London Councils is a member of the company and appoints two nominees to its trustees. <i>It should be noted that</i></p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
		<i>London Marathon Ltd has a Board of Directors which London Councils appoints to but officers, not members, so is not included in this grid.</i>
<b>5. Grants</b>		
<b>The Trust for London</b>	<p>Cllr Rokhsana Fiaz (LB Newham, Lab)</p> <p><u>Officer:</u> Yolande Burgess</p>	<p>London Councils can nominate one person to the Board. Nominations are on a five-year basis. Cllr Fiaz, Mayor of Newham Council, took over from Cllr Ejiofor, Leader of Haringey Council, in August 2021 and was appointed to the Trust for London in September 2021.</p>
<b>6. Migration</b>		
<b>London Strategic Migration Partnership</b>	<p>Cllr Muhammed Butt (LB Brent, Lab)</p> <p><u>Officer:</u> Clive Grimshaw</p>	<p>The Board will lead and coordinate effort by statutory and voluntary sector partners on strategic migration, including promoting refugee integration in London. The Partnership meets on a quarterly basis.</p>
<b>7. Crime and Public Protection</b>		
<b>London Crime Reduction Board</b>	<p>Cllr Jas Athwal (LB Redbridge, Lab)</p> <p>Cllr Ian Edwards (LB Hillingdon, Con)</p> <p>Cllr Darren Rodwell (LB Barking &amp; Dagenham, Lab)</p> <p>Cllr Gareth Roberts (LB Richmond, Lib Dem)</p> <p><u>Officer:</u> Doug Flight</p>	<p>The London Crime Reduction Board was established in 2010 to provide a coordinated approach to crime reduction and community safety in London. London Councils has four places on the Board, alongside the Mayor of London and the Deputy Mayor for Policing and Crime. In June 2018 the Mayor agreed to a London Councils' request to enhance its representation to the current Board members. The Board meets quarterly.</p>
<b>CONTEST Board</b>	<p>Cllr Jas Athwal (LB Redbridge, Lab)</p> <p><u>Officer:</u> Doug Flight</p>	<p>The CONTEST Board takes a strategic overview of work to counter terrorism in the capital. It seeks to co-ordinate the pan London approach across the four strands of the Government's CONTEST strategy: Prevent, Pursue, Protect and Prepare.</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
		The Board meets quarterly and its work is linked to both the London Crime Reduction Board and Home Office structures.
<b>8. Health and Adult Services</b>		
<b>London Health Board</b>	<p>Cllr Georgia Gould (LB Camden, Lab) (replace with Cllr Nesil Caliskan?)  Cllr Danny Thorpe (RB Greenwich, Lab)  Cllr Damian White (LB Havering, Con)  Mayor Philip Glanville (LB Hackney, Lab)  Cllr Ruth Dombey OBE (LB Sutton, Lib Dem)</p> <p><u>Officer:</u> Clive Grimshaw</p>	<p>The London Health Board is a partnership of London boroughs, the Mayor and key health partners for the purposes:</p> <ul style="list-style-type: none"> <li>• improving healthy life expectancy of Londoners</li> <li>• reducing the health inequalities in London between and within boroughs</li> <li>• ensuring that London's life sciences sector continues to thrive and grow</li> </ul> <p>The Board provides leadership on health issues of pan-London significance, where this adds value to decisions, agreements and action at local level. It meets quarterly. In June 2018, the Mayor agreed to a London Councils' request to increase local government representation to five so that each of the London STP/ICS footprints were covered. One of the representatives will also act as a political champion for the Thrive programme.</p>
<b>Health Equity Group</b>	<p>Councillor Muhammed Butt (LB Brent, Lab)</p> <p><u>Officer:</u> Clive Grimshaw</p> <p>Will Tuckley (CELC Health Lead Advisor and CE of LB</p>	<p>The Health Equity Group will</p> <ul style="list-style-type: none"> <li>• Provide leadership and coordination to ensure health equity is central to all London level partnership transition and recovery strategies and</li> </ul>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
	Tower Hamlets) (Co-Chair)	<p>the London Vision1.</p> <ul style="list-style-type: none"> <li>• Oversee the refresh of the Mayor's Health Inequalities implementation plan.</li> <li>• Promote and support collaboration and action at neighbourhood, borough and ICS/STP level</li> <li>• Put in place enabling work identified by local partnerships as helpful to their joint work.</li> <li>• Provide visible systems leadership and advocacy on health equity issues for Londoners</li> </ul> <p>The Group currently meets quarterly. PHE provide the main secretariat function, although London Councils also provides officer support to discharge the functions of the Group.</p>
<b>9. Regional Employer Function</b>		
<b>National Association of Regional Employers (NARE)</b>	<p>Chair: Cllr Muhammed Butt (LB Brent, Lab)</p> <p>Vice Chair: Cllr Josh Rendall (RB Kensington &amp; Chelsea, Con)</p> <p><u>Officer:</u> Steve Davies</p>	<p>The Chair of GLPC and GLEF Employers' Side sits on this body. It meets virtually 3 to 4 times a year,. Hosting arrangements are rotated annually following an Annual General Meeting in October each year.</p> <p>For the year Oct 2022 to Oct 2023 East of England LGA are hosts and secretary.</p> <p>The purpose of the meeting is to allow regions to collectively discuss workforce issues and feed-in views to Local Government Employers</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
<b>CEEP (Centre Europeen des Entreprises a Participation Publique et des Entreprises d'Interet Economique General)</b>	Chair: Cllr Muhammed Butt (LB Brent, Lab)  <u>Officer:</u> Steve Davies	<p>Representatives from all 10 of the regional employers' organisations are entitled to sit on this body (usually the Chair or the Vice Chair from the regional employer).</p> <p>Following our departure from the EU the working arrangements with European colleagues are far less formal. However, there is a continued informal working relationship with SGI Europe which the North East Region manages.</p> <p>Any formal meetings of CEEP UK will be called and held virtually and the Chair or a vice chair of GLPC employers' side may attend.</p>
<b>10. Housing</b>		
<b>Homes for Londoners Board</b>	Cllr Darren Rodwell (LB Barking & Dagenham, Lab) Cllr Keiron Williams (LB Southwark, Lab) Cllr Jayne McCoy (LB Sutton, LD) Mayor Jason Perry (LB Croydon, Con)  <u>Officer:</u> Piali Das Gupta	<p>The Board meets quarterly and has oversight of:</p> <ul style="list-style-type: none"> <li>• overall housing delivery across London</li> <li>• the statutory London Housing Strategy</li> <li>• housing, planning and infrastructure coordination delivering housing investment programmes land held by the Mayor and other public bodies</li> <li>• a task-and-finish work programme for policy development and innovation</li> </ul>
<b>Mayor's London Infrastructure Group (LIG)</b>	Cllr Kieron Williams (LB Southwark, Lab)  <u>Officer:</u> Katharina Winbeck	<p>The Mayor's Infrastructure Group (LIG) connects City Hall and industry, focusing on key infrastructure corridors and high growth areas. The group brings together infrastructure providers, regulators, central</p>

Outside Body	Current Representative(s) & London Councils' Officer Responsible	Information on Outside Body
		and devolved government, and local authorities. The Group's purpose is to continue the dialogue on how we can collectively respond to the challenges and opportunities the current era of growth presents. Coordination of infrastructure delivery and how we can all work together to respond to London's requirements will be at the core of the agenda.
<b>11. Children &amp; Young People</b>		
<b>Young People's Education &amp; Skills Board (YPES)</b>	Mayor Rokhsana Fiaz (LB Newham, Lab)  Cllr Ian Edwards (LB Hillingdon, Con)  Cllr Alison Holt (RB Kingston, Lib Dem)  <u>Officer:</u> Yolande Burgess	Originally established as the Regional Planning Group in June 2008 to oversee 16-19 funding to local authorities from LSC and ensure a strategic approach across London. Revised in November 2010 as the Young People's Education and Skills Board. It is the lead strategic body for 14 to 19 education and training in London. Membership includes key stakeholders in education and skills in London. The Board meets three times per year. Chaired by the Executive Member for Skills and Employment. Nominations are made on an annual basis or as a vacancy arises. The constitution requires one representative from each of the main party groups.

# Executive

## Urgency Report

Item no: 9

**Report by:** Lisa Dominic    **Job title:** Governance Support Officer  
**Date:** 8 November 2022  
**Contact Officer:** Christiane Jenkins  
**Telephone:** 020 7934 9540    **Email:** [Christiane.jenkins@londoncouncils.gov.uk](mailto:Christiane.jenkins@londoncouncils.gov.uk)

---

<b>Summary</b>	London Councils' urgency procedure was used to approve: <ul style="list-style-type: none"><li>• Provision of Cleaning Services at 59 ½ Southwark Street and Chancery Exchange (10 Furnival Street)</li><li>• London Business Rates Pool 2023/24</li></ul>
<b>Recommendations</b>	Executive is asked to note the above decisions taken under the urgency procedure.

---



## **1.0 Provision of Cleaning Services at 59 ½ Southwark Street and Chancery Exchange (10 Furnival Street)**

### **1.1 Summary**

London Councils invited the submission of tenders for the provision of office cleaning services for its main administrative offices at 59½ Southwark Street and the London Tribunal Service at Chancery Exchange. The current cleaning contract expired on 31 July 2022. The proposal was for the new contract to commence on 1<sup>st</sup> August 2022 for a period of three years up until July 2025, inclusive of a break clause.

It was recommended that the contract be awarded to Solo Service Group from 1<sup>st</sup> August 2022, as it scored the highest overall score evaluated in accordance with the published weightings in the ITT for the most economically advantageous tender (MEAT).

### **1.2 Reason for Urgency**

In accepting the tender of Solo Service Group for the provision of Cleaning Services at London Councils and London Tribunals offices for three years beginning 2022/25 at the cost of £92,740 per annum, a total of £278,220 for the three years of the contract, the amount exceeded £250,000. Approval was therefore required from Elected Officers in accordance with London Councils Financial Regulation 8.11.5.

### **1.3 The Urgency was approved on Tuesday 9<sup>th</sup> August 2022**

## **2.0 London Business Rates Pool 2023/24**

### **2.1 Summary**

In January 2021, Leaders and the Mayor of London agreed to collectively withdraw from the pan-London business rates pool in 2021-22, because of the high level of economic uncertainty due to the pandemic. It was subsequently agreed, in September 2021, not to reconstitute the pool in 2022-23 as it remained unlikely to have been profitable

On 18 August 2022, the Government wrote to local authorities inviting them to indicate preferred pooling arrangements for 2023-24, by 22 September.

The Urgency report (available on request) provided the latest estimates for the “shadow” 2022-23 pool and sought a decision on pooling for 2023-24 ahead of the deadline.

It also sought agreement regarding the process for agreeing any significant variations to ongoing projects funded via the Strategic Investment Pot (SIP) from the 2018-19 and 2019-20 London business rates pilots, following a request from one project to rebase its grant agreement.

Elected Officers were recommended:

- not to reconstitute the London business rates pool in 2023-24;
- to continue to monitor a shadow pool to inform future pooling decisions;
- to agree the officer recommendation to agree the proposed changes by the LB Ealing on behalf of West London Orbital Strategic Growth project; and
- to agree the proposed approach to taking future similar decisions as set out in paragraphs 16 and 17 of the report, which is available on request.

## **2.2 Reason for Urgency**

The deadline of 22 September was before the next meeting of London Councils Leaders’ Committee, and earlier agreement would provide more time for individual boroughs to consider alternative pooling arrangements for 2023-24.

Approval of the recommendations regarding the proposed changes to the aforementioned SIP project will provide that project with the certainty it needs to continue and agreeing to the wider approach for future such decisions now will enable the City of London to reconvene the SIP panel in good time were any further project changes proposed.

2.3 The Urgency was approved on 7 September 2022.

## **3.0 Recommendations**

Executive is asked to note the above decisions taken under the urgency procedure.

**Financial Implications for London Councils**

There are no financial implications for London Councils.

**Legal Implications for London Councils**

There are no legal implications for London Councils

**Equalities Implications for London Councils**

There are no equalities implications for London Councils