

London Councils

Minutes of the Meeting of the London Councils Leaders' Committee held on 7 March 2023

Present:

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

Cllr Darren Rodwell (attending virtually)
Cllr Barry Rawlings
Cllr David Leaf (Deputy)
Cllr Muhammed Butt
Cllr Georgia Gould (Chair)
Mayor Jason Perry
Cllr Peter Mason
Cllr Nesil Caliskan
Cllr Anthony Okereke
Mayor Philip Glanville
Cllr Stephen Cowan
Cllr Paul Osborn
Cllr Ray Morgon (attending virtually)
Cllr Ian Edwards
Cllr Shantanu Rajawat
Cllr Kaya Comer-Schwartz
Cllr Elizabeth Campbell
Cllr Andreas Kirsch
Cllr Claire Holland
Mayor Damien Egan
Mayor Rokhsana Fiaz
Cllr Jas Athwal
Cllr Gareth Roberts
Cllr Ruth Dombey OBE
Cllr Grace Williams
Cllr Simon Hogg
Cllr Adam Hug
Tis Broeke (Deputy)

Apologies:

BEXLEY
BROMLEY
CITY OF LONDON
HARINGEY
MERTON
SOUTHWARK
TOWER HAMLETS

Cllr Baroness Teresa O'Neill OBE
Cllr Colin Smith
Christopher Hayward
Cllr Peray Ahmet
Cllr Ross Garrod
Cllr Kieron Williams
Mayor Lutfur Rahman

Officers of London Councils were in attendance.

1. Apologies for absence and notification of deputies

Apologies were as listed above.

2. Declarations of interest

Councillor Peter Mason declared that he was a Non-Executive Board Member of the London Pensions CIV.

3. Minutes of the informal Leaders Committee on 13 December 2022

Members agreed the Leaders Committee minutes of 13 December 2022.

4. Update on CIV Pensions

The Chair introduced the CIV Chief Executive Officer, Dean Bowden, who updated members on the progress of the London CIV. Members were informed that:

- Mr Bowden had taken over as CIV CEO in December 2022 and had provided a report to the CIV Board on the key issues, concentrating on maturity and relevance on the CIV. 12 workstreams had arisen from the report, and a full report back on progress was due
- There was a need to review the processes and practices of the CIV and to achieve efficiencies
- A governance review was due in June and all shareholders would need to agree any changes; there was also a need to engage with clients more effectively
- In terms of available products, it was important that they were competitive and that they achieved net zero requirements
- The CIV funding model was currently under review, including fees, and a report to Board was imminent. CIV were also looking at tangential services and opportunities for outsourcing
- Two fora were being established to look at common issues and to improve collaboration

In response to a question about using the CIV to help unlock investment for infrastructure, members were informed that the CIV private markets team had already started looking at this.

Members were also informed that, in relation to the issue of shareholders not currently agreeing to the amendments to its Articles and Agreement, the CIV remained unaffected operationally, and that the likelihood of resolution was good in terms of the changes required.

Members thanked the Pensions CIV CEO for his presentation.

5. Pan London Infrastructure Framework

Cllr Elizabeth Campbell summarised the work around the Infrastructure Framework, informing members that:

- at a recent meeting with investors there was huge support for the Infrastructure work
- Opportunity London presented a great potential for channelling funds into investment
- the Framework would be more effective if boroughs were allowed to retain more of their own funds

Leaders' Committee noted the work done to date regarding the Framework.

6. Local Government Finance Update

The Strategy Director: Local Government Finance & Improvement informed members that:

- The Final Local Government Finance Settlement provided an additional £18m for London compared with the Provisional LGF Settlement. Core Spending Power would increase by 9.3% in 2023-24 compared with 2022-23, but remain 18% below 2010 - 11 levels in real terms. A briefing would be supplied to members following the Government's budget the week after this meeting
- Fiscal Devolution task and finish group – this had been commissioned to update London Councils' policy positions in respect of fiscal devolution and enabling boroughs to have greater financial autonomy. It had met twice since January; recommendations would be made back to Leaders' Committee on the priorities for the next 18 months and for the longer term in July.
- Executive had agreed that a clear and robust set of cross-party asks be developed in relation to relative needs and resources, and so a further work-strand was being established to take this forward. This would utilise the Elected Officers and Executive meetings, and a progress update would be provided to Leaders' Committee in July.

Members made the following comments in response:

- The unique position of the City of London should be specifically referenced within the work

- There should be some thought given to some 'quid pro quo' arrangements that could demonstrate to government the advantages of allowing more flexibility locally
- In terms of funding it was hoped that boroughs could retain a greater percentage of business rates; the issue of financial inequities such as not being able to access Vehicle Excise funds was also mentioned
- Account should be taken of local deprivation data where the position sometimes contrasted with ONS data

Members were thanked for their comments and noted the report.

7. Census

The Strategy Director: Local Government Finance & Improvement informed members of the recent work in analysing the 2021 Census and presented a number of slides. Members were informed that the Census had been taken during the pandemic. The results were therefore impacted by this. The headlines were:

- London's population was growing but more slowly than previously thought, and was getting older
- London was becoming less deprived according to ONS indices of deprivation
- The capital was becoming more diverse in comparison with the rest of the country
- Home ownership had fallen compared with the rented sector
- There was a greater reduction in homes with gas central heating in London compared with the rest of the country
- Unemployment was higher in London than other parts of the country, particularly long-term unemployment
- London had become healthier since the last Census

Further refinement of the results would be undertaken but feedback from boroughs would be welcome.

Members made the following comments in relation to the presentation:

- In terms of health statistics, there would be value in overlaying the Census results with the pattern of funds allocated by Public Health England
- The Census results masked displacement issues between inner and outer London; also a much broader view of funding was needed to recognise inner and outer London concerns

- Some consideration should be given to mapping wellbeing in relation to Fair Funding considerations
- It would be useful to draw out life expectancy information as there was a perception that a lowered life expectancy in poorer communities was being masked by overall averages in boroughs
- There should also be some consideration given to how decisions had been made – perhaps incorrectly – arising from previous Census results, and what can be learned from this
- There needed to be increased use of data across boroughs as part of working more closely together and to look creatively at problem solving, for example when addressing falling school pupil numbers

Members noted the results of the survey.

8. Local Authority Housing Standards

Cllr Rodwell introduced the item, informing members that:

- The report highlighted that 57% of damp and mould maladministration cases occurred in London, compared to 19% of the national social housing stock; it was recognised that HRA funding issues had contributed to this.
- There was a shortage of skills within the sector
- A pan-London programme had been developed to help councils raise standards.

The regulatory reforms being brought forward over the next year were noted. It was highlighted that it was essential that councils put in place the governance and assurance frameworks needed to deliver high landlord standards, as well as ensuring they had high quality data on property conditions and residents. It was noted that regulatory action would be brought against councils if they failed to meet standards, regardless of the financial pressures they faced within the HRA.

Members supported the work, and made the following additional comments;

- It was important for boroughs to have a devolution of power and finances, rather than responsibility alone, in order to meet these challenges
- There was an inequality between the housing association and local authority sectors in addressing these issues
- The challenge of increasingly overcrowded households contributed to the issue

- Damp and mould issues often related to major works programmes and there was a tension between funding such programmes and maintaining new build housing pipelines.

Cllr Rodwell thanked members for their comments. Members noted the report.

9. London Councils 2021/22 Annual Audit Report and Statement of Accounts

Leaders Committee noted the contents of the Annual Audit report and Statement of Accounts for 2021/22.

10. Minutes and Summaries

Leader's Committee noted the attached minutes:

- GLPC – 18 October 2022
- Grants Committee – 30 November 2022
- TEC – 8 December 2022
- Audit Committee – 1 December 2022

11. Urgency Report

Leaders Committee noted the urgency reports in relation to decisions taken following the Leaders' Committee on 13 December 2022 and Audit Committee on 2 February 2023:

The meeting ended at 12:50.