

REPORT TO:	Cabinet 15 December 2014
AGENDA ITEM:	12
SUBJECT:	South London Partnership Joint Committee
LEAD OFFICER:	Jo Negrini - Executive Director Development & Environment
CABINET MEMBER:	Cllr Tony Newman - Leader of the Council
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT	
<p>This report makes proposals for the establishment of a Joint Committee of South London Boroughs, building on the current South London Partnership, and provision of appropriate resources. This is in order to be able to respond to the Government's growth agenda, possible future delegation of responsibilities and funding, and to be able to compete successfully with other sub regions in London.</p> <p>The proposals support the "Competes as a Place" priority of the Corporate Plan 2013-15 as it will put the Council in a position to access resources to deliver on Growth Plan aspirations around regeneration, transport, housing, jobs, skills and business.</p>	
AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS:	
<p>The establishment of the Joint Committee of South London Boroughs will support delivery of A Place to Live and Work by putting the borough in a better position to respond to the London Growth Deal and future regeneration and economic development opportunities and funding.</p>	

FINANCIAL IMPACT

Establishment of the Joint Committee of South London Boroughs requires additional investment of £20,000 per annum. Annual subscription will be £35,000 per annum; existing budget provision for the subscription already exists at £15,000 per annum. The additional subscription costs have been included as a growth requirement in the Council's budget setting process.

FORWARD PLAN KEY DECISION REFERENCE NO.

This is not a key executive decision

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below.

1. RECOMMENDATIONS

The Cabinet is recommended to:

- 1.1 Approve the establishment of a Joint Committee with neighbouring boroughs in the South London Partnership with the terms of reference and remit as set out in Appendix A.
- 1.2 Agrees to increase the Council's subscription to £35,000 per annum in order that the Partnership is adequately resourced for what it needs to do.
- 1.3 Agrees the principle that hosting of staffing for the Joint Committee will be managed by a single borough, with costs and liabilities shared between the constituent boroughs.
- 1.4 Agree that, subject to all South London Partnership members agreeing to the establishment of the Joint Committee, the Executive Director of Development and Environment, in consultation with the Leader and the Council Solicitor, be given delegated authority to take all measures necessary or incidental to the implementation of recommendation 1.1 above, including preparation and approval of the Procedure for the Joint Committee.
- 1.5 Instruct the Monitoring Officer to amend the Council's Constitution to reflect in Part 2, Article 11, and Schedule 1 the establishment of the Joint Committee
- 1.6 Note that the Leader of the Council will serve as the Council's representative on the Joint Committee.

2. EXECUTIVE SUMMARY

- 2.1 This report is the result of discussions between the Leaders of the south London Boroughs which comprise the South London Partnership (Croydon, Kingston, Merton, Richmond and Sutton). It makes proposals to position the South London Partnership to better respond to the growth agenda, access funding streams and be ready for future likely delegations of responsibilities and funding. In order to achieve this the Partnership needs to:
- (1) demonstrate to Government that it has robust governance and mechanisms for decision making in place in accordance with the guidance for the Growth Deal.
 - (2) be adequately resourced in terms of staff capacity to achieve its goals, both in support of the Partnership's overall aims but also in support of its specific aims for regeneration and growth.

3. DETAIL

3.1 Introduction

The shared agenda of work for the South London Partnership (SLP) continues to increase, particularly in relation to regeneration and growth partly in response to the Government's Growth Deal and in terms of future scope for the devolution of Government functions.

The rationale for the South London Boroughs working together is stronger than ever with the need to maintain and improve public services in a continually straightened financial climate and the opportunities afforded through the Growth Deal. Moreover, current discussions on further devolution to England in the light of the Scottish referendum could lead to an increase in powers and funding for London. If these are delegated via the Greater London Authority (GLA) it could work to the disadvantage of outer London boroughs.

It is therefore even more important that there is a strong sub-regional governance framework which can provide a mechanism for devolution of government funds. In order to position itself most successfully, the Partnership needs to develop a stronger narrative about its growth potential, contribution to the success of the London economy overall and barriers to progress. Then it needs to be able to demonstrate to Government that it has robust governance and mechanisms for decision making in place in accordance with the guidance for the Growth Deal:

“to deliver collective decision from all local authority leaders, including district councils, within the Local Economic Partnership (LEP), with evidence of underpinning robust partnership arrangements.”

Furthermore, the SLP needs to consider the resources in terms of staff capacity that it is able to bring to bear to achieve its goals, particularly in relation to regeneration and growth.

The SLP must be mindful of how it compares with other sub regional partnerships in London, with which it is in competition in terms of influence and resources, notwithstanding any cross border alliances.

3.2 Governance Proposals

The SLP has worked hard to establish a relationship with the Mayor and LEP which will enable funds to be delegated to sub-regional partnerships. It has been made clear that such delegation requires strong sub-regional governance, which the SLP does not currently have.

The proposal is therefore to create a Joint Committee which can exercise decision making over:

- Development of a clear sub regional growth strategy;
- Delegation of funds from the London Mayor and LEP to meet local economic growth need;
- Access to and approval of the allocation of additional funds as part of the City Growth Deal process;
- Greater control over local economic investment and prosperity at a more localised level;
- Existing economic assets across the area to be built upon and maximised;
- Current joint working on areas such as procurement and shared services (underpinned by the current Memorandum of Understanding between 4 Member authorities) to be further developed to maximise efficiencies and growth.

Further details of the proposed terms of reference and remit are set out in Appendix A.

The intention is to submit proposals through each Council's decision making process during November and December 2014 so that the Joint Committee can become operational from 1 January 2015.

The aspiration is to use the Joint Committee governance arrangement to go beyond obtaining funds from the Mayor and LEP but also to persuade Government to delegate additional responsibilities and their funding, e.g. in relation to getting people back into work, boosting skills and developing innovative local solutions to ensuring economic growth and prosperity. Critically this proposal also positions the boroughs strongly in the context of greater devolution for England.

3.3 Staffing Resources and Capacity Proposals

London Councils work on Devolution and Public Sector Reform underlines the amount of work that is required by each sub-region to develop a coherent offer and take advantage not only of the Growth Deal but other future developments.

A comparison of the SLP's funding and resources with that of other sub regional partnerships is set out below.

Partnership	No of posts	Subscription per partner	Total
West London Alliance	8*	£36K x 6	£216K
North London Strategic Alliance	6**	£40K x 3 £15K x 3	£165K
South London Partnership	2.5***	£15K x 5	£75K
Central London Forward	2	£25K x 8	£200K
Growth Boroughs	5****	£60K x 6	£360K

*5 of these posts are funded from other sources

**3 of these posts are funded from other sources

***Only one post currently filled

****2 of these posts are funded from other sources

In terms of skills mix, the additional staffing capacity in the other partnerships compared to SLP's is specialist economic development, regeneration and transport resource.

If the SLP is to increase its influence both generally within the pan-London arrangements but also specifically within the context of the Growth Deal it will require more specialist resource to argue authoritatively for our own strategic position against those of the rest of London. Most SLP boroughs do not currently have this level of resource within their own organisations which can be shared, and so it is proposed that it is specifically appointed to support the Partnership. This is considered a more cost effective solution than buying in consultancy support on an on-going basis. It will also increase the capacity of borough officers to enable them to work together more efficiently on joint projects.

It is therefore proposed that the SLP borough subscription level is increased to £35,000 per year for each borough. This would bring the SLP more in line with other similar partnerships in terms of funding and enable additional resources to be put into a senior capability to engage in specialist regeneration policy work on behalf of the Partnership and provide some delivery support to sub-regional projects. However, it remains a modest amount in relation to the task and it will be necessary for Borough staffing to support the effort as well as the periodic commissioning of one off pieces of consultancy for particular, specialist, needs the Joint Committee may identify.

Currently the employment of the existing staff is with Croydon, whilst Kingston takes responsibility for line management. It is suggested that this opportunity is used to regularise the position with one Borough assuming employment and line management responsibilities on behalf of the SLP (recognising that costs and liabilities will be shared equally between partners).

4. CONSULTATION

4.1 This proposal is the result of consultation and discussion between SLP Leaders and Chief Executives as well as with London Councils.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 Budget provision exists for the current £15,000 annual membership contribution; the additional £20,000 has been identified as a growth requirement as part of the Council's budget setting

The additional funds required are justifiable in view of the benefits which the Joint Committee and additional staff resource will deliver, in particular the fact that there will be a strong sub regional economic case and appropriate governance to take on additional responsibilities and funding

There are quantifiable financial advantages to the increased subscription costs as Croydon will be able to access additional funding through the LEP following establishment of the Joint Committee. Based on funding made over by the GLA to other sub-regional partnerships for skills and employment related activities, the investment in the partnership offers good value for money.

5.2 Effect of the Decision

The decision will enable the establishment, and adequate resourcing of the South London Partnership Joint Committee. It will commit the Council to an annual membership contribution of £35,000.

5.3 Risks

The risk of not entering into Joint Committee arrangements far outweigh the risks of doing so. Failure to enter into Joint Committee arrangements erodes the Council's ability to access significant resource to support delivery of the Council's Growth agenda.

5.4 Options

The SLP Leaders and Chief Executives have considered the options around the establishment and resourcing of the Joint Committee and based on analysis of other sub-regional governance and support arrangements. Options include:

- maintaining the status quo, this will result in the partnership and member boroughs missing out on delegated powers and funding arrangements
- maintaining current resourcing levels – increased resourcing is required to put a robust case to regional and central government as to the economic need and opportunities in the SLP, failure to resource this adequately could result in the SLP and Council forfeiting future devolution of powers and funding.

5.5 Future savings/efficiencies

The increased resources available to the Council as a result of LEP action or future devolution of funding/powers is likely to mean increased income to the Council to deliver a range of activities including jobs, skills and regeneration activity.

Approved by: Dianne Ellender - Department Head of Finance and Deputy S151 Officer

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Council Solicitor comments that the setting up of this Joint Committee is an Executive Function to be done in accordance with section 102 of the Local Government Act 1972 and the Council's Constitution.
- 6.2 Pursuant to Article 15.02 (b) of the Constitution the Director of Democratic and Legal Services is authorised, after consultation with the Leader to make any necessary amendments to the Constitution consequent on such a decision of Cabinet.

Approved by: Gabriel MacGregor, Head of Corporate Law, on behalf of the Council Solicitor & Director of Democratic & Legal Services

7. HUMAN RESOURCES IMPACT

- 7.1 Croydon currently assumes responsibility for employment of a shared resource for the SLP; if this responsibility transfers to another council it is likely to mean a TUPE (Transfer of Undertaking) transfer of relevant staff. If a transfer is required, the Council's TUPE protocol and all other related policies and procedures will be followed, particularly the duty to consult. Consideration should be given to involve Trade Unions and staff in the process and should include a consultation period, which provides enough time for the transferee to inform the transfer of any potential 'measures' and to deal with any potential 'objections'.

Approved by: Adrian Prescod, HR Business Partner, for and on behalf of Director of Human Resources, Chief Executive Department.

8. EQUALITIES IMPACT

- 8.1 There are no significant equalities impacts in the establishment of the Joint Committee itself, however the resources for Growth that will be available through the Joint Committee will provide additional resource for employment skills and growth thereby having a positive impact on equalities outcomes specifically for unemployed residents and those on low incomes. More broadly it will have a positive impact on other residents by generating additional investment in infrastructure in the borough.

9. ENVIRONMENTAL IMPACT

- 9.1 There are no direct environmental impacts of entering into Joint Committee arrangements however the resources for Growth resulting from establishment of a Joint Committee is likely to provide additional/ improved public transport infrastructure and better quality sustainable buildings resulting in positive environmental impacts.

10. CRIME AND DISORDER REDUCTION IMPACT

None

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

The Council has the powers to establish and be a member of a Joint Committee. The establishment of the Joint Committee of South London Boroughs will support delivery the Council's Growth agenda as it will enable the Council to maximise income for regeneration, housing, jobs and business activities.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 Maintaining SLP as an informal partnership –formalising governance arrangements is vital in order that powers and resources be delegated to the partnership, failure to formalise the partnership jeopardies access to Growth funding.
- 12.2 Withdrawing from the SLP – this erodes the Council's ability to draw down any funds made available for sub-regional partnerships by the GLA/ LEP and weakens our ability to respond to further Growth Deal opportunities.

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BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

Growth Deal for London:

[http://www.london.gov.uk/sites/default/files/A%20Growth%20Deal%20for%20London%20\(FINAL\)%2020140331.pdf](http://www.london.gov.uk/sites/default/files/A%20Growth%20Deal%20for%20London%20(FINAL)%2020140331.pdf)

Appendix A

South London Joint Committee - Terms of Reference / Delegations

The Member Councils of the proposed South London Joint Committee would need to agree the Terms of Reference and initial scope of delegations from their respective organisations to the Joint Committee. The level of delegation would remain under review during the Joint Committee's initial period of operation and could be amended (subject to the agreement of Member Councils) as required.

The Joint Committee would also need to understand and determine its relationship with existing statutory and non-statutory governance arrangements operating within South London (e.g. the Waste Partnership) and across London (e.g. Local Enterprise Partnership Board). A Memorandum of Understanding is suggested as an appropriate way to define and govern this relationship.

1. Role and Purpose of the Joint Committee:

- a) To form collaborative South London views on issues affecting economic growth, regeneration and competitiveness
- b) To undertake activities which promote and improve economic growth and wellbeing in the South London area
- c) To determine strategic objectives and barriers to growth for the local area and develop solutions
- d) To take on additional responsibilities and funding delegated from Government where the Committee judges this to be in the area's best interests.

**The aim of the Joint Committee will be collaboration and the Terms of Reference would not prohibit any of the Member Councils from promoting economic wellbeing in their own areas either in addition to, or independently, from the Joint Committee.*

2. Terms of Reference

1. To act as a strategic body, setting and reviewing objectives for strategic growth, regeneration and investment across South London including:
 - Providing a coherent single position on the City Deal and Growth Deal issues
 - Coordinating the contribution of all Councils to the Strategic Economic Plan
 - Agreeing allocation of spending as required
 - Agreeing major priorities
 - Considering and determining any issues made by the Advisory Officer Board to the Joint Committee
2. To formulate and agree appropriate agreements with Government, ensuring their delivery
3. To influence and align government investment in South London in order to boost economic growth locally.

4. To jointly review as appropriate consultations on plans, strategies and programmes affecting South London, encouraging alignment with the London Enterprise Partnership Plan.
5. To agree, review and amend options at any time for City Deal and Growth Deal Governance which is fit for purpose.
6. To agree and approve any additional governance structures as related to the Joint Committee. (e.g. setting up sub committees etc.).

Membership

It is proposed that each Council appoint its Leader to sit on the Joint Committee.

Each Council could also appoint a named substitute (to be an Executive Member for those operating Executive Governance arrangements) to attend in the Leader's absence.

Continuity of attendance would be encouraged.

Support Arrangements

In its work the Joint Committee would be supported by an advisory Board comprising each Council's Chief Executive working alongside and giving direction to the existing officer groups on Growth and Transport, respectively.

Local officers can be brought in to support the advisory arrangements based on the expertise and technical knowledge required at a particular point in time.

Each Council could, as required, through its Leader and Chief Executive, put in place any local processes for other Elected Members to input in an advisory capacity into the work of the Joint Committee.

Procedure Rules

In order that meetings of the Joint Committee are conducted properly and that the business is carried out openly and transparently a new set of Procedure Rules for its operation will be prepared.

These will cover all procedural matters, Access to Information regulations and voting rights.

The following key principles are proposed for consideration and inclusion in the document:

1. The Chairman of the Joint Committee will be appointed on an annual basis.
2. No business of the Joint Committee will be transacted unless a minimum of 4 of the 5 appointed members are present (Quorum). The Joint Committee's decision making will operate on the basis of mutual co-operation and consent.

3. Any authority can withdraw on the basis of a sixth month notice period.
4. Support for governance matters and meeting support will be provided in turn by constituent Member authorities.
5. The development and approval of a Memorandum of Understanding with the London Enterprise Partnership Board.

The role of the Officer Advisory Board would not form part of the formal governance arrangements of the Joint Committee but would have its role, operation and purpose defined in a separate document.