VALUE OVERVIEW & SCRUTINY COMMITTEE

7 July 2011

Subject Heading:	London Councils Topic Group Report
CMT Lead:	Ian Burns Acting Assistant Chief Executive 01708 432442
Report Author and contact details:	Taiwo Adeoye Tel: 01708 433079 taiwo.adeoye@havering.gov.uk
Policy context:	To examine if membership of London Council represents value for money.
Financial summary:	There are no financial implications arising from this report.

SUMMARY

At its meeting on 25 November 2010, the Committee requested that a topic group be established to examine the Council's membership of the Local Government Association (LGA), London Councils and any other bodies which the Council currently is a member of. This report details the work undertaken by the topic group and the conclusions that it reached.

RECOMMENDATIONS

That the Committee note the report and agree that the review be closed.

REPORT DETAIL

At its meeting on 25 November 2010, the Committee requested a report that examined the Council's membership of the Local Government Association (LGA), London Councils and any other bodies which the Council is currently a member of. The report set out in detail the functions of the LGA and London Councils, and the relative benefits to Havering Council of being a member of such organisations.

Following the meeting a Topic Group was agreed to review the Council's participation in London Council. The group met on two occasions. All members of the Committee agreed to be on the Group. The Group was supported by Claire Thompson (Corporate Policy and Partnership Manager).

At its first meeting the Group developed and agreed the following objectives and scope of the review.

- **Objectives**

    - To investigate the value for money of remaining a member of London Councils in this difficult financial climate
    - To investigate whether the role played by London Councils could be provided by the GLA, removing the need for London Councils as an additional body
    - To make a recommendation to Cabinet as to whether the Committee feels LB Havering should remain a Member of London Councils or not going forward

The Topic Group agreed that the scope of the review was only to look at Havering's membership of London Councils and no other bodies at this stage.

In addition the Group, would like to gain an understanding of the following:

- The staffing structure of London Councils
- Why London Councils existed when the GLA could provide this role?

The Group agreed to invite the following to give evidence as part of the review:

- Cllr Michael White – Leader of the Council
- A representative from London Councils
- Mike Stringer (Head of Finance)

- Tony Sweeting (then Head of People and Change)

A representative of the Taxpayers Alliance

FINDINGS

The Group met with the Leader at its second meeting in order to get his views about the Council's participation in London Councils.

The objectives of the Topic Group were outlined and put to the Leader to respond.

Councillor Michael White gave the following views in response:

- That London Councils was a delivery body with statutory powers.
- That it was very important for Havering and the other 32 Councils in London to get together and provide a single view about London
- That funding from London Councils allowed the delivery of services in the Havering locality
- That London Councils should be seen as different to the activities and responsibility of the Mayor of London
- That the Mayor's role was strategic to London

- The Leader added that a single voice (London Councils) had seen dramatic effect in Havering e.g. the decent homes funding that was to be withdrawn whereby through London Councils, Havering and other authorities were able to act as one and make a case for the funding to continue to be distributed.
- The Leader stated that as far as he was aware all 33 Councils in London were still involved in the running of the London Councils organisation.
- The Topic Group was informed that in its 7 years of existence, London Councils has been a success as a delivery vehicle. The Leader also outlined the role Capital Ambition has played to continue to drive performance by organising peer review since the closure of the CPA assessment scheme.
- The Leader also detailed the cost effectiveness of the e-auction that had enabled savings in the purchase of IT equipment including Ipads. Havering had been able to save about £1.2 million on personal laptop purchases via using the e-auction which was facilitated by London Councils.
- The Leader agreed that it was good to keep membership of the body under review but felt it was at present good value for money.
- The Topic Group was informed that London Councils was currently undergoing restructuring and review.
- A new agreement had recently been reached on an equalisation scheme that would enable a new funding formula to be produced and this would benefit Havering bearing in mind the borough's demographics and mortality rate.

- Efficiency and cost saving measures derived from Capital Ambition included the Library Consortium that brought together lending and book purchasing by 19 Councils. The Group was informed that Thurrock Council was also interested in joining the scheme.

CONCLUSIONS

Following the submission from the Leader, the Topic Group members present overwhelmingly agreed that the Council maintain its membership of London Councils.

The Group agreed that an update report be presented to the Committee in order for this topic to be closed.

Staff Contact: Taiwo Adeoye
Committee Officer

Telephone: 01708 433079

Background Papers – None.

The following comments have been submitted by members of staff:

Financial implications and risks:

Narrative Report Only – not applicable.

Human Resources implications and risks:

Narrative Report Only – not applicable.

Legal implications and risks:

Narrative Report Only – not applicable.

Equalities and Social Inclusion Implications and Risks:

Narrative Report Only – not applicable.