

AGENDA

Meeting Budget and Performance Committee

Date Thursday 22 October 2020

Time 10.00 am

Place Virtual Meeting

Copies of the reports and any attachments may be found at www.london.gov.uk/mayor-assembly/london-assembly/budget-performance

Most meetings of the London Assembly and its Committees are webcast live at <https://www.london.gov.uk/about-us/london-assembly/youtube> and/or www.london.gov.uk/mayor-assembly/london-assembly/webcasts where you can also view past meetings.

Members of the Committee

Susan Hall AM (Chairman)
Len Duvall AM (Deputy Chair)
Siân Berry AM
Unmesh Desai AM

Tony Devenish AM
Dr Alison Moore AM
Caroline Pidgeon MBE AM
Dr Onkar Sahota AM

A meeting of the Committee has been called by the Chairman of the Committee to deal with the business listed below.

Ed Williams, Executive Director of Secretariat
Wednesday 14 October 2020

[Note: This meeting has been called in accordance with the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020. These regulations permit formal London Assembly meetings to be held on a virtual basis, with Assembly Members participating remotely, subject to certain conditions. The regulations apply notwithstanding any other legislation, current or pre-existing Standing Orders or any other rules of the Authority governing Assembly meetings, and remain valid until 7 May 2021. The meeting will be broadcast live via the web-link set out above. The regulations may be viewed [here](#).]

Further Information

If you have questions, would like further information about the meeting or require special facilities please contact: Laura Pelling Principal Committee Manager; Telephone: 020 7983 5526; Email: laura.pelling@london.gov.uk

For media enquiries please contact Aoife Nolan; Communications Officer; Telephone: 020 7983 4067; Email: aoife.nolan@london.gov.uk. If you have any questions about individual items please contact the author whose details are at the end of the report.

If you, or someone you know, needs a copy of the agenda, minutes or reports in large print or Braille, audio, or in another language, then please call us on 020 7983 4100 or email assembly.translations@london.gov.uk.

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Haddii ama ama qof aad taqaanid, uu ugu baahan yahay koobiga ajendhada, haddaladii ama warbixinta in far waaweyn loogu qoro ama farta qofka indoolaha akhrin karo, amaba luuqad kale, fadlan naga soo wac telefoonkan 020 7983 4100 ama email assembly.translations@london.gov.uk.

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Certificate Number: FS 80233

Agenda
Budget and Performance Committee
Thursday 22 October 2020

1 Apologies for Absence and Chairman's Announcements

To receive any apologies for absence and any announcements from the Chairman.

2 Declarations of Interests (Pages 1 - 4)

Report of the Executive Director of Secretariat

Contact: Laura Pelling; laura.pelling@london.gov.uk; 020 7983 5526

The Committee is recommended to:

- (a) Note the list of offices held by Assembly Members, as set out in the table at Agenda Item 2, as disclosable pecuniary interests;**
- (b) Note the declaration by any Member(s) of any disclosable pecuniary interests in specific items listed on the agenda and the necessary action taken by the Member(s) regarding withdrawal following such declaration(s); and**
- (c) Note the declaration by any Member(s) of any other interests deemed to be relevant (including any interests arising from gifts and hospitality received which are not at the time of the meeting reflected on the Authority's register of gifts and hospitality, and noting also the advice from the GLA's Monitoring Officer set out at Agenda Item 2) and to note any necessary action taken by the Member(s) following such declaration(s).**

3 Minutes (Pages 5 - 62)

The Committee is recommended to confirm the minutes of the meeting of the Budget and Performance Committee held on 29 September 2020 to be signed by the Chairman as a correct record.

4 Summary List of Actions (Pages 63 - 68)

Report of the Executive Director of Secretariat

Contact: Laura Pelling; laura.pelling@london.gov.uk; 020 7983 5526

The Committee is recommended to:

- (a) Note the ongoing actions arising from previous meetings of the Committee; and**
- (b) Note the ongoing action arising from a previous meeting of the Budget Monitoring Sub-Committee.**

5 The 2020/21 GLA Group Budget Review (Pages 69 - 70)

Report of the Executive Director of Secretariat

Contact: Gino Brand; gino.brand@london.gov.uk; 07511 213765

The Committee is recommended to:

- (a) Note the report as background to putting questions to invited guests on the 2020/21 Budget Review and note the discussion; and**
- (b) Delegate authority to the Chairman, in consultation with party Group Lead Members and Caroline Pidgeon MBE AM, to agree any output from the meeting.**

6 Budget and Performance Committee Work Programme (Pages 71 - 72)

Report of the Executive Director of Secretariat

Contact: Gino Brand; gino.brand@london.gov.uk; 07511 213765

The Committee is recommended to note its work programme for the remainder of 2020.

7 Date of Next Meeting

The next meeting of the Committee which will be held as a virtual meeting is scheduled for Tuesday 24 November 2020 at 10.00am.

8 Any Other Business the Chairman Considers Urgent

Subject: Declarations of Interests	
Report to: Budget and Performance Committee	
Report of: Executive Director of Secretariat	Date: 22 October 2020
This report will be considered in public	

1. Summary

- 1.1 This report sets out details of offices held by Assembly Members for noting as disclosable pecuniary interests and requires additional relevant declarations relating to disclosable pecuniary interests, and gifts and hospitality to be made.

2. Recommendations

- 2.1 **That the list of offices held by Assembly Members, as set out in the table below, be noted as disclosable pecuniary interests¹;**
- 2.2 **That the declaration by any Member(s) of any disclosable pecuniary interests in specific items listed on the agenda and the necessary action taken by the Member(s) regarding withdrawal following such declaration(s) be noted; and**
- 2.3 **That the declaration by any Member(s) of any other interests deemed to be relevant (including any interests arising from gifts and hospitality received which are not at the time of the meeting reflected on the Authority's register of gifts and hospitality, and noting also the advice from the GLA's Monitoring Officer set out at below) and any necessary action taken by the Member(s) following such declaration(s) be noted.**

3. Issues for Consideration

- 3.1 Relevant offices held by Assembly Members are listed in the table overleaf:

¹ The Monitoring Officer advises that: Paragraph 10 of the Code of Conduct will only preclude a Member from participating in any matter to be considered or being considered at, for example, a meeting of the Assembly, where the Member has a direct Disclosable Pecuniary Interest in that particular matter. The effect of this is that the 'matter to be considered, or being considered' must be about the Member's interest. So, by way of example, if an Assembly Member is also a councillor of London Borough X, that Assembly Member will be precluded from participating in an Assembly meeting where the Assembly is to consider a matter about the Member's role / employment as a councillor of London Borough X; the Member will not be precluded from participating in a meeting where the Assembly is to consider a matter about an activity or decision of London Borough X.

Member	Interest
Tony Arbour AM	
Jennette Arnold OBE AM	
Gareth Bacon AM MP	Member of Parliament, Orpington; Member, LB Bexley
Shaun Bailey AM	
Siân Berry AM	Member, LB Camden
Andrew Boff AM	Congress of Local and Regional Authorities (Council of Europe)
Léonie Cooper AM	Member, LB Wandsworth
Unmesh Desai AM	
Tony Devenish AM	Member, City of Westminster
Andrew Dismore AM	
Len Duvall AM	
Florence Eshalomi AM MP	Member of Parliament, Vauxhall
Nicky Gavron AM	
Susan Hall AM	Member, LB Harrow
David Kurten AM	
Joanne McCartney AM	Deputy Mayor
Dr Alison Moore AM	Member, LB Barnet
Steve O'Connell AM	Member, LB Croydon
Caroline Pidgeon MBE AM	
Keith Prince AM	
Murad Qureshi AM	
Caroline Russell AM	Member, LB Islington
Dr Onkar Sahota AM	
Navin Shah AM	
Peter Whittle AM	

[Note: LB - London Borough]

3.2 Paragraph 10 of the GLA's Code of Conduct, which reflects the relevant provisions of the Localism Act 2011, provides that:

- where an Assembly Member has a Disclosable Pecuniary Interest in any matter to be considered or being considered or at
 - (i) a meeting of the Assembly and any of its committees or sub-committees; or
 - (ii) any formal meeting held by the Mayor in connection with the exercise of the Authority's functions
- they must disclose that interest to the meeting (or, if it is a sensitive interest, disclose the fact that they have a sensitive interest to the meeting); and
- must not (i) participate, or participate any further, in any discussion of the matter at the meeting; or (ii) participate in any vote, or further vote, taken on the matter at the meeting

UNLESS

- they have obtained a dispensation from the GLA's Monitoring Officer (in accordance with section 2 of the Procedure for registration and declarations of interests, gifts and hospitality – Appendix 5 to the Code).

3.3 Failure to comply with the above requirements, without reasonable excuse, is a criminal offence; as is knowingly or recklessly providing information about your interests that is false or misleading.

- 3.4 In addition, the Monitoring Officer has advised Assembly Members to continue to apply the test that was previously applied to help determine whether a pecuniary / prejudicial interest was arising - namely, that Members rely on a reasonable estimation of whether a member of the public, with knowledge of the relevant facts, could, with justification, regard the matter as so significant that it would be likely to prejudice the Member's judgement of the public interest.
- 3.5 Members should then exercise their judgement as to whether or not, in view of their interests and the interests of others close to them, they should participate in any given discussions and/or decisions business of within and by the GLA. It remains the responsibility of individual Members to make further declarations about their actual or apparent interests at formal meetings noting also that a Member's failure to disclose relevant interest(s) has become a potential criminal offence.
- 3.6 Members are also required, where considering a matter which relates to or is likely to affect a person from whom they have received a gift or hospitality with an estimated value of at least £50 within the previous three years or from the date of election to the London Assembly, whichever is the later, to disclose the existence and nature of that interest at any meeting of the Authority which they attend at which that business is considered.
- 3.7 The obligation to declare any gift or hospitality at a meeting is discharged, subject to the proviso set out below, by registering gifts and hospitality received on the Authority's on-line database. The on-line database may be viewed here:
<https://www.london.gov.uk/mayor-assembly/gifts-and-hospitality>.
- 3.8 If any gift or hospitality received by a Member is not set out on the on-line database at the time of the meeting, and under consideration is a matter which relates to or is likely to affect a person from whom a Member has received a gift or hospitality with an estimated value of at least £50, Members are asked to disclose these at the meeting, either at the declarations of interest agenda item or when the interest becomes apparent.
- 3.9 It is for Members to decide, in light of the particular circumstances, whether their receipt of a gift or hospitality, could, on a reasonable estimation of a member of the public with knowledge of the relevant facts, with justification, be regarded as so significant that it would be likely to prejudice the Member's judgement of the public interest. Where receipt of a gift or hospitality could be so regarded, the Member must exercise their judgement as to whether or not, they should participate in any given discussions and/or decisions business of within and by the GLA.

4. Legal Implications

- 4.1 The legal implications are as set out in the body of this report.

5. Financial Implications

- 5.1 There are no financial implications arising directly from this report.

Local Government (Access to Information) Act 1985	
List of Background Papers: None	
Contact Officer:	Laura Pelling, Principal Committee Manager
Telephone:	020 7983 5526
E-mail:	laura.pelling@london.gov.uk

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MINUTES

**Meeting: Budget and Performance
Committee**

Date: Tuesday 29 September 2020

Time: 10.00 am

Place: Virtual Meeting

Copies of the minutes may be found at:

<http://www.london.gov.uk/mayor-assembly/london-assembly/budget-performance>

Present:

Susan Hall AM (Chairman)
Len Duvall AM (Deputy Chair)
Siân Berry AM
Unmesh Desai AM
Tony Devenish AM
Dr Alison Moore AM
Caroline Pidgeon MBE AM
Dr Onkar Sahota AM

1 Apologies for Absence and Chairman's Announcements (Item 1)

- 1.1 The Chairman explained that in accordance with Government regulations the meeting was being held on a hybrid basis, with some Assembly Members present in City Hall and others attending remotely.
- 1.2 The Clerk read the roll-call of Assembly Members who were participating at the meeting. There were no apologies for absence.

2 Declarations of Interests (Item 2)

2.1 The Committee received the report of the Executive Director of Secretariat.

2.2 **Resolved:**

That the list of offices held by Assembly Members, as set out in the table at Agenda Item 2, be noted as disclosable pecuniary interests.

3 Summary List of Actions (Item 3)

3.1 The Committee received the report of the Executive Director of Secretariat.

3.2 **Resolved:**

(a) That the ongoing actions arising from previous meetings of the Committee be noted; and

(b) That the ongoing action arising from a previous meeting of the Budget Monitoring Sub-Committee be noted.

4 The 2020-21 Budget Review - GLA Core (Item 4)

4.1 The Committee received the report of the Executive Director of Secretariat as background to a discussion on the 2020-21 Budget Review of the GLA Core. Since the publication of the agenda, a reply from the Interim Deputy Director for Housing and Land providing information on funding allocations and expenditure had been received. The letter was circulated to Members and is attached at **Appendix 1**.

4.2 The following guests were invited to attend the meeting:

- David Bellamy, Mayor's Chief of Staff;
- Mary Harpley, Chief Officer, GLA;
- David Gallie, Executive Director for Resources, GLA;
- Rickardo Hyatt, Interim Deputy Director for Housing and Land, GLA;
- Sarah Mulley, Interim Executive Director for Communities and Intelligence, GLA;
- Niran Mothada, Executive Director of Strategy and Communications, GLA; and
- Phil Graham, Executive Director for Good Growth, GLA.

4.3 A transcript of the discussion is attached as **Appendix 2**.

**Greater London Authority
Budget and Performance Committee
Tuesday 29 September 2020**

4.4 During the course of the discussion, the Committee requested the following additional information:

- An update on any grant funding being moved between housing schemes;
- Further details on savings from the 24-hour London programme which have since been reallocated through the Recovery Fund, and further details on any new areas of work which have received funding from the Recovery Fund;
- An update on the Mayor's commitment to plant 2 million trees in his first term;
- Further details of the 71 projects and programmes set out in MD 2666 which had seen reductions in funding;
- That the Committee and party Group Lead Members be kept updated on future budgetary challenges with respect to redundancies;
- Confirmation that future GLA workforce reports will include the number of staff within each pay bracket per directorate;
- An organogram of the Housing and Land department, including which posts are externally funded and which from discretionary funds;
- An organogram of the Chief Officer's department;
- Confirmation of when London & Partners will produce its business plan and for that to be shared with the Committee as soon as it is available;
- Clarification of whether the Chief Officer's remuneration was, or should have been, included in the GLA's statement of accounts and whether it will be in future years;
- To confirm the membership of the Estates and Facilities Management Working Group (EFMWG) and the Group Collaboration Board (GCB) referred to in the Chief of Staff's letter of 12 August;
- To provide details of any work the EFMWG or the GCB has undertaken in encouraging blue-light collaboration between the Metropolitan Police Service, the London Fire Commissioner and the London Ambulance Service, and to provide details of any other work the GLA is undertaking to encourage and track such collaboration;
- To provide details of any lessons learnt from the COVID-19 response and recovery work which could be used to inform and further collaborative working across the GLA Group and respective partners;
- Confirmation of when the proposed GLA-Transport for London (TfL) Human Resources (HR) shared service arrangement first started, the amount of GLA and TfL staff and resources which have gone into the project to date and the level of spend on the initial feasibility study by Deloitte; and
- Which additional benefits are expected to be delivered from the GLA-TfL HR shared service arrangement and anticipated timescales for delivering the project.

4.5 **Resolved:**

(a) That the report and discussion be noted; and

(b) That authority be delegated to the Chairman, in consultation with party Group Lead Members and Caroline Pidgeon MBE AM, to agree any output from the discussion.

5 Budget and Performance Committee Work Programme (Item 5)

5.1 The Committee received the report of the Executive Director of Secretariat

5.2 **Resolved:**

That the work programme for the remainder of 2020 be noted.

6 Date of Next Meeting (Item 6)

6.1 The next meeting of the Committee which would take place as a hybrid meeting was scheduled for Thursday 1 October 2020 at 10.00am.

7 Any Other Business the Chairman Considers Urgent (Item 7)

7.1 There were no other items of business.

8 Close of Meeting

8.1 The meeting ended at 1.09pm.

Chairman

Date

Contact Officer: Laura Pelling Principal Committee Manager; Telephone: 020 7983 5526;
Email: laura.pelling@london.gov.uk

GREATER LONDON AUTHORITY

Susan Hall AM

Chairman of the Budget and Performance
Committee
(sent by email)

Date: 24 September 2020

Dear Susan,

Funding allocations and expenditure

Thank you for your letter dated 8th September setting out the queries related to the committee's request for information about the current affordable housing settlement of £4.82bn. You requested clarity on how much of the fund has been allocated and paid to individual housing providers and how much is still available to allocate to new bids.

Allocations and payments

The overall £4.82bn settlement includes £0.05bn for the Move-On programme to develop homes for people moving on from hostels and refuges. This contributes directly towards meeting the Mayor's aims for a permanent route off the street for rough sleepers in the capital and support for survivors of domestic abuse. This funding is ring-fenced for move on accommodation and leaves £4.77bn of the settlement for the general affordable housing programmes. Details of the move on allocations are not included in the figures below as the projects and providers in this programme are of a sensitive nature.

In total, the general AH settlement is £4.77bn and the GLA has made allocations of £4.24bn, of which £1.63bn has been paid to housing providers. Details of the overall allocation and amounts paid to individual organisations are shown in appendix 1.

Overall, this leaves £535m of the general affordable housing settlement still to allocate to new projects.

Programme target

The settlement requires the GLA to achieve 116,000 affordable housing starts on site by 31 March 2023 and the details set out in appendix 1 relate to allocations for 115,000 homes expected over the programme period. The remaining settlement of £535m will be used to fund additional homes towards the target, plus further over-programming of around 5,000 homes

(4% of the programme target) to ensure that any slippage or non-delivery between now and the end of the programme can be mitigated through schemes progressing with GLA allocations.

It should also be noted that my team work closely with partners to ensure that grant funding levels on projects are assessed against requirements to make schemes viable. Over the course of the programme this has resulted in headroom that places the GLA in a strong position to support additional homes towards the 116,000 starts target and a level of over-programming to ensure the target is met.

Public records

To ensure our ability to continue to drive forward value for money on grant allocations, details of overall grant paid and remaining allocations to organisations are not in the public domain, nor is the overall headroom in the programme, and I am requesting that the list in appendix 1 and the headroom noted above, is not published. In line with GLA governance requirements details of individual allocations to providers are published on the GLA website on a quarterly basis. These are available at the following link, under the section entitled delegated approvals.

<https://www.london.gov.uk/what-we-do/housing-and-land/increasing-housing-supply/affordable-housing-statistics>

We also provide a summary of approvals at the start of each programme following an initial bids round.

I hope the information above and in the following appendix are helpful in contributing towards your review of the affordable housing programme, but please let me know if you need anything further.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R Hyatt', with a horizontal line drawn underneath it.

Rickardo Hyatt
Assistant Director of Housing and Interim Deputy Executive Director Housing and Land

Encl: Appendix 1

Appendix 1: Affordable housing allocation for current housing settlement by organisation.

Note: The last set of GLA audited accounts relate to the financial year ending 31 March 2019 and the table below shows payments to the same period to ensure alignment with the GLA published audited accounts. In August 2020, the GLA published unaudited accounts for 2019-20. Payments of £540m were made for AH programmes for that period, these are included within the remaining allocations figures below.

Grand Total £1,632,197,337 £2,602,842,574

Organisation	Paid allocation (to 31 March 2019)	Remaining allocation (from 1 April 2019 onwards)
A2 Dominion	£106,917,422	£51,482,077
Agudas Israel Housing Association Limited	£903,486	£882,000
Almshouse Consortium Ltd	£1,000,000	£0
AmicusHorizon Limited	£3,548,494	£0
Anchor Hanover Group	£0	£300,000
Anchor House	£150,000	£0
Berkeley Homes	£2,590,000	£0
Big Issue Invest Limited	£5,079,711	£0
BL Canada Water Holdings Ltd	£0	£21,600,000
Brick by Brick (Croydon Council)	£0	£23,082,000
Catalyst Housing Group Limited	£1,101,250	£0
Catalyst Housing Limited	£65,873,774	£23,625,000
Circle Anglia Limited	£449,457	£1,326,158
City of London	£270,000	£29,190,000
City of Westminster Council	£2,000,000	£15,810,000
City West Homes (SPV)	£128,000	£0
City YMCA, London	£0	£2,190,000
Clarion Housing Group	£15,178,037	£211,199,995
Connected Partnership	£6,714,586	£37,764,191
Cornerstone Foster Care	£78,930	£0
Countryside Properties (UK) Ltd	£5,000,000	£0
Croydon Council	£0	£45,290,000
East Thames Group Limited	£2,055,982	£0
Eastend homes	£16,000	£4,634,000
Estuary Housing Association Limited	£1,547,320	£1,890,000
Evolve Housing + Support	£0	£3,780,000
Family Mosaic Housing	£3,889,600	£48,000
Genesis Housing Association Limited	£7,341,826	£0
George Peabody Donation Fund	£3,772,785	£3,117,198
Grainger Trust Ltd	£1,652,000	£0
Habinteg Housing Association Limited	£512,000	£0
Hexagon Housing Association Limited	£12,351,742	£5,080,623

Organisation	Paid allocation (to 31 March 2019)	Remaining allocation (from 1 April 2019 onwards)
Home Group	£2,151,131	£21,264,000
Hyde Housing Association Limited	£63,819,392	£120,723,922
Inquilab Housing Association Limited	£1,673,000	£0
Islington and Shoreditch Housing Association Ltd	£6,444,025	£5,030,421
Jewish Community Housing Association Limited	£0	£710,000
Keniston Housing Association	£224,000	£70,000
L&G Affordable Homes	£0	£5,076,000
L.B. Croydon SWLHP	£2,452,495	£0
Lambeth & Southwark Housing Association Limited	£69,210	£3,000,000
Leicester Housing Association Limited	£2,883,254	£481,960
London & Quadrant Housing (L&Q)	£405,967,250	£194,907,750
London Borough Newham	£22,988,866	£84,470,000
London Borough of Barking and Dagenham	£22,854,185	£37,782,000
London Borough of Barnet	£0	£8,700,000
London Borough of Bexley	£238,000	£0
London Borough of Brent	£8,578,500	£85,180,000
London Borough of Bromley	£480,565	£0
London Borough of Camden	£5,112,500	£23,350,000
London Borough of Croydon	£135,000	£0
London Borough of Ealing	£11,970,134	£96,115,000
London Borough of Enfield	£1,661,250	£36,220,500
London Borough of Hackney	£4,034,000	£42,754,000
London Borough of Hammersmith and Fulham	£0	£15,308,000
London Borough of Haringey	£90,761	£61,758,000
London Borough of Harrow - Housing	£3,954,250	£32,144,000
London Borough of Havering	£1,988,478	£51,842,000
London Borough of Hillingdon	£266,000	£11,412,000
London Borough of Hounslow	£3,288,270	£75,446,000
London Borough of Islington	£2,302,500	£22,500,000
London Borough of Lambeth	£2,596,518	£9,996,000
London Borough of Lewisham	£0	£36,600,000
London Borough of Lewisham	£160,000	£0
London Borough of Southwark	£5,255,636	£95,350,000
London Borough of Sutton	£0	£6,500,000
London Borough of Tower Hamlets	£5,487,500	£9,750,000
London Borough of Waltham Forest	£15,424,545	£25,357,000
London Borough of Wandsworth	£3,102,000	£12,074,000
London Borough Redbridge	£979,840	£26,678,000
Metropolitan Thames Valley	£30,123,892	£23,822,108
Moat Homes Limited	£4,592,191	£6,007,000
Network Homes Limited	£50,124,232	£31,016,559
Network Housing Group Limited	£4,723,575	£0

Organisation	Paid allocation (to 31 March 2019)	Remaining allocation (from 1 April 2019 onwards)
Newlon Housing Trust	£2,128,026	£24,678,292
Notting Hill Genesis	£234,015,034	£73,855,259
Notting Hill Housing Trust	£17,291,257	£0
Oak Housing Limited	£720,000	£0
One Housing Group Limited	£29,596,000	£29,376,000
Optivo	£18,933,164	£126,476,895
Orbit Group Limited	£11,180,355	£23,772,000
Paradigm Housing Group Limited	£0	£2,672,000
Paragon Community Housing Group Limited	£508,396	£30,491,748
Peabody Trust	£88,413,570	£196,195,384
Phoenix Community HA (Bellingham and Downham) Ltd	£1,606,457	£12,444,000
Places for People Group Limited	£16,000	£1,694,000
Pocket Living	£42,267,050	£0
Poplar HARCA Limited	£5,066,519	£13,357,823
Resi Housing Limited	£0	£5,968,000
Richmond Housing Partnership Limited	£6,367,200	£24,898,800
Riverside Housing Association Limited	£0	£27,930,000
Royal Borough of Greenwich	£572,500	£32,600,000
Royal Borough of Kensington and Chelsea	£10,920,000	£33,680,000
Royal Borough of Kingston upon Thames	£26,934,750	£67,844,000
Rural Urban Synthesis Society (RUSS)	£326,040	£661,960
Sanctuary Housing Association	£5,189,210	£945,000
Soho Housing Association Limited	£0	£2,837,958
Southern Housing Group Limited	£4,735,977	£42,691,000
St Mungo Community Housing Association	£15,194,442	£0
Sutton Housing Society Limited	£0	£70,000
Swan Housing Association Limited	£66,075,987	£15,482,494
TBG Open Door Homes Limited	£0	£2,632,000
Telford Homes Plc	£408,500	£0
Thames Valley Housing Association Limited	£7,981,000	£46,000
The Guinness Partnership Limited	£77,240,501	£2,922,499
The Guinness Trust	£1,911,443	£0
Viridian Housing	£1,361,677	£0
Walterton & Elgin Community Homes (WECH)	£1,290,000	£1,290,000
Wandle Housing Association Limited	£0	£832,000
Waterside Places	£4,095,936	£0
Westminster Community Homes Limited	£872,000	£0
YMCA London South West	£658,999	£0
YMCA Thames Gateway	£0	£2,810,000

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London Assembly Budget and Performance Committee - Tuesday 29 September 2020

Transcript of Item 5 - The 2020/21 Budget Review on the Greater London Authority (GLA) core

Susan Hall AM (Chairman): I would like to welcome our guests to the Chamber: David Bellamy, who is the Mayor's Chief of Staff; Mary Harpley, Chief Officer; and David Gallie, Executive Director of Resources at the GLA; and, attending remotely, Rickardo Hyatt, who is the Interim Deputy Director for Housing and Land; Sarah Mulley, Interim Executive Director of Communities and Intelligence; Niran Mothada, Executive Director of Strategy and Communications; and Phil Graham, Executive Director for Good Growth. Welcome, all of you.

We are going to start off and I am going to start off by asking Rickardo Hyatt a question, if I may, on housing. Rickardo, how would you say that the overall health of the Mayor's housing programme is going?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): Relatively speaking, although there are certain challenges facing us given the implications of the pandemic and wider market uncertainty impacting delivery of the programme, I would say that we have done as much as we can to mitigate the risks. We are continuing to work with our providers to ensure that we are able to maximise delivery.

The coming period will continue to be uncertain. Through the lockdown, construction sites, as we know, for a period of two months mostly closed and are still in the process of remobilising. Clearly, because we do not know how we are going to be impacted by the pandemic going forward, it does pose a significant risk to delivery.

However, overall, I would say that given performance certainly to the end of March 2020, we have done as much as we can to maximise delivery.

Susan Hall AM (Chairman): You are not concerned, really? You think the health is relatively good, do you?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): Because - certainly for the current affordable housing programme - we have secured a one-year extension to the programme running to 2023, we do believe that gives us a bit of time to mitigate the risks around the programme. As we speak, we do believe that we are in a position to deliver the programme, but it is not without risks and uncertainties. As we speak, we are in a relatively good position and we are on top of things and elements that are within our control.

Susan Hall AM (Chairman): OK. Only 14% of the affordable homes that needed to be delivered under the scheme had been completed by the end of April. Do you think that is acceptable?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): The programme target is linked to delivery of affordable housing starts and that is the condition attached to the settlement we have secured with the Government. Clearly, ultimately, we would like to see the homes completed as quickly as possible so that people can be housed and so that the demand and the need for housing in London can be met.

As you say, we still have quite a bit of work to do to ensure that the homes come through and they are completed, but what I will say is that the majority of the developments and the schemes that are funded

through the programme are long-term, large, strategic, multiphase schemes delivered over time. As the programme goes on, we are expecting homes to complete at speed and for that rate to increase significantly, certainly through to the end of the current programme period in March 2023 and beyond.

Susan Hall AM (Chairman): Many of us have real concerns about this, Rickardo, but we are not running it. If you do not have those concerns, I suppose we should take some comfort from that.

What were the total housing completions in 2019/20? Why were they only marginally above the level for 2018/19? Does that represent the progress London actually does need to see in the shortfall?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): As I said, a lot of the schemes that we are funding through the programme are long-term, multiphase, strategic schemes and we are expecting completions to follow the starts on sites achieved. On average, between a scheme starting onsite and completing, there is a period of roughly three years or 36 months between start onsite and completion. Clearly, there has been an increase, though marginal, and it is an indication that we are moving in the right direction, but I would not want to move away from some of the risks that I highlighted earlier and the fact that construction sites still are not at full capacity following the lockdown earlier in the year. This is a risk that we are alive to and are tracking, and we are doing all we can to ensure that delivery is maximised, but we have to be alive to the risks and we have to do all we can to manage them.

Susan Hall AM (Chairman): We seem to have been having the same conversations over a few years. When will you be setting annual targets for the remaining homes that still need to be started over the next three years? We just keep hearing the final number. We want to know about annual targets.

Rickardo Hyatt (Interim Deputy Director for Housing and Land): As I am sure you may be aware, Chairman, we do look at setting annual targets for the programme each year. Last year we set a target of 17,000 affordable starts, which we just about exceeded.

For the current year, given the impact on the programme because of the lockdown, there will be a dip in delivery, which is unavoidable because, as I said, sites that were shut down are still remobilising and are still not at 100% because of social distancing measures having to be maintained onsite and so on. For the current year, we are working as hard as we can to maximise delivery. We do believe that we can achieve a minimum of circa 10,000 starts this year.

As for completions, we are still working quite closely with our partners to try to get to the bottom of what they can actually complete this year, but it is quite a challenging time given the uncertainty.

We will continue to set annual targets as we go but, ultimately, the target that we have signed up for is a global one to achieve by 2023. As we have always done, on an annual basis we will confirm what target we are working towards each year.

Susan Hall AM (Chairman): How many actually have to be started in order to get to your targets by 2023?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): We need to start somewhere in the region of 57,000 starts by 2023 to achieve our target. To the end of March 2020 we achieved just over 59,000, but to get to the 416,000 we need to achieve a further 57,000 over the next two and a half years.

Susan Hall AM (Chairman): You think you will do that, do you?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): We have allocated to projects and schemes at the moment capable of delivering up to 115,000 starts. There is a gap that we have to bridge of about 1,000 in terms of allocations. Clearly, it is a moving feast. Projects will come in and out of the programme. We have to – as we have been doing – continue to work with our partners to risk-manage their programmes and also to capitalise on new schemes and opportunities as and when they present themselves so that we can bring them into the programme. As we speak, contractually, we have allocated to roughly 115,000 starts.

Susan Hall AM (Chairman): All right. That is about 14%. Siân, do you want to come in on this point or in this section?

Siân Berry AM: Before you move to other topics than affordable housing, if that is OK.

Dr Onkar Sahota AM: Chair, can I come in?

Susan Hall AM (Chairman): I will ask one more question and then I will bring in Siân and then I will bring in Onkar.

It seems surprising that a critical directorate such as Housing and Land should have an underspend on its staffing for 2019/20. Why was this, Rickardo, and what impact did that have?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): This is partly due to movement within the directorate where we have taken on new functions such as building safety. We have had to expand the team quite quickly. Depending on when the snapshot in time was taken, it may appear as though we do have gaps. There are ongoing gaps in the directorate, but that does not mean that we have not been allocating resource to the key priorities as needed.

You are correct. There is a saving, as with all of the other directorates, that we are making against our staffing budget, but I am confident that in terms of people and skills we do have the right people in the directorate to manage all of the key priorities and programmes we are responsible for.

Susan Hall AM (Chairman): It was 2019/20 that I was talking about with the underspend. Given that everything was tickety-boo, then, you can easily go without that funding?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): I am not saying that. When you look at the 2019/20 out-turn, beyond what I have said about movement within the directorate across the year and vacancies popping up and increasing functions, clearly, we need to ensure that we are adequately resourced. It is also about working with what we have and allocating people and resources to the key priorities. There is a constant state of prioritisation going on because it is essential in order to deliver the key priorities.

When you compare what we do in Housing and Land and the level of staff that we have in comparison to Homes England, which delivers the programme outside of London, and the comparative functions that it has, we do operate quite efficiently and we operate with roughly a third of the staff it has. That does not mean

that with additional resources we could not go further and do much more, but the alternative of not delivering is not really an option. As I say, it is all about putting people in the right place at the right time to deliver the key priorities, which is what we did in 2019/20 and continue to do.

Susan Hall AM (Chairman): I get that, which is what I was asking you about the underspend for last year, but I will bring in Siân Berry now.

Siân Berry AM: I wanted to ask you about the affordable housing budget as a whole. You underspent last year. You have carried forward some money into this year. It seems from the revised budget there is an overall increase in the planned spend in that affordable housing budget this year. From Mayoral Decision (MD) 2666, I believe, it shows an increase in the amount spent.

We are also hearing from the Deputy Mayor for Housing and Residential Development that some schemes are being withdrawn from the programme. I just wanted to check with you whether that is going to affect the budget in the year going forward or whether that is being repurposed. What is going on with schemes that are being withdrawn by councils from the programme and the money that was allocated to them?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): There is a balance to be struck between trying to maximise delivery in the current year and working with partners to make the most of the extension to the programme. There may well be schemes that are moving out of the current year but with the one-year extension they are still deliverable and can contribute towards our target.

For the current year, we are still in discussions with partners to try to make sure that the projects that are in the programme for this year can take up the funding, but it is a moving feast. Given the challenging market conditions, we are constantly being approached by partners asking for additional support for projects and asking, where projects do have quite a high proportion and reliance on cross-subsidy from the private sale or cross-subsidy from shared ownership, if we can have discussions about delivering more submarket rented products, which require more funding. Lots of those conversations are ongoing, but at the heart of this we have to make sure that we are achieving good value for money. It will be a moving picture as we go through the year.

Siân Berry AM: I am just trying to get clarity on this. Say there is a scheme that was approved. There is MD 2125, which approved a whole load of different schemes. Something that is in that MD has been taken out of the programme altogether. That money is now available to spend. Is that part of the money that you are putting into the increase in the budget for the current year in the revised budget? Are you bringing forward money that you can now reallocate to increase the amount of affordable housing in existing schemes? That is what I am asking.

Rickardo Hyatt (Interim Deputy Director for Housing and Land): Yes. This is why I say, where there are opportunities to do that, we will absolutely do it. If there are opportunities to convert private homes to affordable homes on schemes within the current programme within the current year, then we will have those discussions with partners.

However, as I said earlier, we do need to ensure that we are achieving the best value for money. It is an iterative process where we have to review appraisals to make sure that we are not overpaying for projects.

Absolutely, it is an open door that we have with partners and new entrants where delivery can be proven and when schemes can come forward.

Siân Berry AM: What we would really like to see is an update on movements from schemes to different schemes. Is that something we will be getting in detail if you are moving grant from a scheme that has been cancelled to a scheme that is in progress?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): It is not as straightforward as funding moving from this scheme to another scheme.

Siân Berry AM: No, but you will get plus on one and minus on another.

Rickardo Hyatt (Interim Deputy Director for Housing and Land): Sorry?

Siân Berry AM: You would see that this money goes from X to zero and another scheme gets an increase. I know it is not the exact same pound.

Rickardo Hyatt (Interim Deputy Director for Housing and Land): The only way that that can be clearly set out in the terms that you are suggesting, Assembly Member Berry, is where schemes are cleanly falling out of the programme altogether and where they are moving out beyond 2023 and can no longer be funded. We can take that away and see what we can share, but it is not as simplistic a picture because there is movement between years and there is looking at individual partner programmes versus looking at where a scheme may be pushed back for a particular partner and a scheme brought forward by another partner from a future year or a new scheme brought in altogether. We are talking about daily and weekly movements at times, depending on where we are in the year.

Siân Berry AM: We would still appreciate up-to-date, transparent data on this, though.

Rickardo Hyatt (Interim Deputy Director for Housing and Land): We do at the moment share with Assembly Member Hall a list of all of the schemes that are newly allocated on a quarterly basis. I do not know if that information is shared with you or if you would be happy to receive that information as well, but it is something that we already share. There is some information to this effect that is also published on the website.

Siân Berry AM: That is what I have been looking at. OK. Thank you. We will keep a close eye on the spending and the delivery.

Susan Hall AM (Chairman): OK. Thank you.

Dr Onkar Sahota AM: Thank you. Rickardo, the number of housing starts and completions have gone up every year under this Mayor. However, the number of starts is not keeping track with the number of completions. Why is that the case?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): As I have said before, there is usually a lag of about 36 months or three years between start onsite and completion. The completions that we would

have seen in the earlier years of the current programme will have come from previous legacy programmes and then have flowed through.

In terms of the current programme, we will hopefully start to see an increase in the level of completions now that we are four or five years into the programme, given the lag between start onsite and completion. In addition to that, as I said, we do fund a lot of long-term, large estate regeneration and strategic schemes, which in reality go way beyond the three-year lag. If a developer lays infrastructure or constructs a podium benefiting the whole scheme, then the whole scheme will start onsite, but if it is a 500-home scheme or a 1,000-unit scheme, it will take time for the completions to come through.

Dr Onkar Sahota AM: What Londoners are interested in is not starts but the number of completions of homes they can move into. Do you think that we are investing in schemes which are quickly ready and can be delivered within 12-month timeframes? Are we investing in small schemes also? There are a lot of sites and developers. Do they have access to mayoral funds for that?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): Absolutely. A key strand to how we make decisions on projects that we fund is around deliverability. Clearly, we want to prioritise those schemes that can be delivered as quickly as possible. However, there is a balance between funding those schemes and the lower-hanging fruit, as it were, the schemes that do have quite tight turnarounds where we are expecting planning consents to be in place and delivery structures to be sorted out and that can get onsite and complete quickly. I have to say that those schemes, although they do form part of the programme, do not form the bulk of the programme. The projects that we do by and large fund in the programme are the longer-term strategic schemes that we expect to go through the full process. Our door is still open and where there are projects that are ready to go we can absolutely look at them and fund them.

Dr Onkar Sahota AM: Just one last question. Suppose the Government wants to change the targets to the number of completions rather than starts. Do you think that would focus the minds of people differently?

Rickardo Hyatt (Interim Deputy Director for Housing and Land): Perhaps. It surely would. It would be challenging to flip the focus midstream through the middle of a programme.

One way that we do try to incentivise delivery and speed up completions is by holding back a proportion of the funding. We do for elements of the programme release only a proportion of the funding at start onsite and hold back the remainder for completion so that partners do not lose their way and there is an incentive for them to continue so that they can get the rest of the funding as quickly as possible by achieving the completion.

However, as I said, if the focus were to shift midstream, it would be quite a tricky one, but it would certainly focus minds.

Dr Onkar Sahota AM: OK. Thank you.

Susan Hall AM (Chairman): OK. Thank you very much. Thank you, Rickardo. The next set of questions is to Sarah Mulley and asked by Assembly Member Len Duvall.

Len Duvall AM (Deputy Chair): Thank you. Can I begin just by asking about the reserves held for the Young Londoners Fund, which have increased by almost £4 million? Normally, that would not be the case at this stage of the programme's expenditure. I presume you outperform the additional funding and you always have more bids than you fund. Is that the case? Can you just take us through that?

Sarah Mulley (Interim Executive Director for Communities and Intelligence): Yes. Thank you. Yes, you are right that for the Young Londoners Fund we always receive more bids than we have funding available.

My understanding is that the reserves position is due to profiling of the spend across years. We fund projects over multiple years and so there is always a degree of uncertainty about the profiling that will be needed until we have awarded grants. That explains the changes in the reserve position. It is not to do with underperformance of the programme. It is to do with profiling of the of the grants.

Len Duvall AM (Deputy Chair): OK. Then can you just explain to me the delays in delivering the Communities and Skills projects? Given the process of long lead-in times in 2019/20 for these types of projects, which were the projects that were affected? It cannot be just down to COVID that this was delayed. What steps would be taken to remedy this situation when we come out of the COVID period?

Sarah Mulley (Interim Executive Director for Communities and Intelligence): Yes, you are right that there were some impacts towards the end of 2019/20 in particular that were related to COVID. Some of the amounts that have been carried forward, for example, were related basically to administrative issues that arose in March [2020] and so they were not representing delivery problems. They were straightforward administrative issues. As you can imagine, lots of particularly small organisations were facing a number of challenges in terms of administration during March. However, you are right. There are some programmes where things were behind schedule or underdelivering before COVID hit. I am happy to go into detail if there are particular areas that you want to talk about.

I suppose my broad answer would be that a lot of the work that is done in the Communities and Skills Directorate is innovative. It is new. We are often piloting new approaches. We are working with new partnerships. Sometimes that means that things take longer to get started or take longer to move into delivery than we would hope.

It is also important to underline the fact that in many parts of our programme, we are working in partnership with civil society organisations. COVID has really highlighted this but it was true beforehand that there are some real vulnerabilities in the voluntary community sector. For example, in some areas we have had delivery delays due to partners being in financial difficulty and having to recontract or reissue grants to new partners. I suppose that that, for me, underlines, as I say, the underlying vulnerabilities, which have become very clear in recent months. They were there before. We were seeing the impact of that in terms of delivery in some of our programmes. It is one of the reasons that we have been so keen to put in place some more strategic support for the sector to make sure that we are not simply responding to the symptoms but are trying to tackle some of the underlying causes insofar as we can.

Len Duvall AM (Deputy Chair): In a sense, when and if we come out of this COVID-19, we should have been trying to resolve some of the normal delays that occur in partnership working in delivering these types of projects. We should have a better flow of spending. We should be acting like coming out on the economic recovery issues, if we listen to what the Mayor has been telling the Assembly, in a better shape to deal with

some of those problems. We will see less of those delays and less of that performance issue. It should flow better.

Sarah Mulley (Interim Executive Director for Communities and Intelligence): I am not sure I would quite characterise it like that. We know that the pandemic has caused enormous challenge for our partners and those challenges are going to continue for some time. To take one example, the GLA has played a really important part in the London Community Response Fund. We have put £5 million into that but so far that has pulled in money from other funders and we have awarded collectively £17 million worth of grants. That experience has helped us and other funders to think differently about how we work together and to think differently about how we reduce the burdens on our partners by working in a more coherent, strategic and co-ordinated way. I hope that some of those really positive things from the experience of the last few months will carry forward and will help us to deliver more effectively.

I suppose I would say, though, that we do have to be realistic about the pressures that the last few months have put on our partners, particularly in the voluntary and community sector. We are doing everything we can to try to make sure that we are alleviating those pressures. As I say, we are trying to as part of the recovery work think really strategically about how we support civil society in particular. We will not be able to solve all those problems.

Len Duvall AM (Deputy Chair): OK. What is the rationale for making savings in the apprenticeship programme and construction skills programme when London will be facing in the future the twin threats of a looming job crisis and a shortage in construction skills due to Brexit? How does that work? In a sense, why would you take those savings at this moment in time and not put those aside in the emergency programme that has been identified in this process? Why would you not do that? Tell me why we can afford to make those cuts.

Sarah Mulley (Interim Executive Director for Communities and Intelligence): The simple answer to that is that the programmes that had been planned in those areas simply were not deliverable given the impact of the pandemic. For example, on the apprenticeship programmes that were planned, employers were simply not in a position to take on apprentices in the way that had been intended. We took the view that there was a high likelihood that that programme would significantly underdeliver if we tried to press ahead with it in the current financial year. Given the need to make savings, it was the right decision to pause that work.

You are absolutely right of course that skills and apprenticeships will be enormously important for London's recovery. Colleagues who are working on the recovery mission that has been identified about helping Londoners into good work are absolutely focused on how we deploy our resources across London, including, of course, the adult education budget, to make sure that we are meeting the skills needs of Londoners. That decision to make savings in the current year was not a decision to deprioritise work on apprenticeships because we do not think they are important. It was just a question of what could be delivered in the current context.

Len Duvall AM (Deputy Chair): I presume that you had a choice and that you could have actually taken those savings because of COVID-19 because you could not spend them and put them into some form of reserve to be spent later.

Sarah Mulley (Interim Executive Director for Communities and Intelligence): What has happened at a corporate level is that we have identified savings and some of those savings are needed to meet the savings

targets that are set for the current year. I am sure colleagues will talk more about that in due course. We have identified a sum of money that was effectively held back to fund priorities for the recovery because at the point when we were making these decisions there was still then - and there is still - a great deal of uncertainty about what would be needed and what the priorities would be. As you would have seen in the MD setting out the revised budget, there is a sum of just over £6 million that was taken from the savings identified and that money is available now to fund recovery priorities.

Len Duvall AM (Deputy Chair): That is the simple answer. You started like that. Can I just ask? Am I right in thinking that the only reason why you would make a cut like this is that you are worried about capacity and that there is only so much capacity for delivering projects like this? I still do not understand why you would set aside £4 million in the Young Londoners Fund - which is a great choice; I would do it; I would want to protect it - but you would not set aside this money in a reserve and not allow this to go into a cuts pot. I presume it is one-off money and so it is not a revenue saving on that. Why make this choice over and above preserving this money for the future, knowing what we are potentially facing and against an unplanned media debate now about educational support in those areas of apprenticeships and construction skills?

Sarah Mulley (Interim Executive Director for Communities and Intelligence): It is partly just a function of the stage the projects were at. The apprenticeship project had not yet started and so that money was not committed, whereas in contrast we had already awarded the vast majority of the Young Londoners Fund in terms of grants. We need to honour those commitments to the partners there where we have awarded grants.

I suppose what I would say is that as we look at the GLA's budget going forward, we are thinking very carefully about how we restructure it and reprioritise the budget in order to meet recovery priorities. It is clear that employment and skills is an absolutely core priority for the recovery of London and we will be making sure that we allocate resources accordingly in next year's budget. I would draw a distinction between some of the decisions we had to make in-year, which had to be influenced by the particular stage we were at or particular programmes where funding was committed and where we had flexibility, versus the longer-term strategic questions.

Len Duvall AM (Deputy Chair): Sorry to interrupt, but we have already made some of those in-year savings and we have made more than those because there have been some decisions taken to reallocate. I am talking about losing resources to this particular area that do not seem to make sense. You have tried to explain that to me. Others need to be engaged with that activity as well. It just seems a bit bizarre to do this at this moment in time when you have made rational issues. That is why I tried to help you with a get-out-of-jail card to talk about whether it was capacity that you were worried about. It did not really matter. You could have put as much money as you liked into this pot. If you could not spend it, why would you do that? That answer has not been forthcoming but let us move on because that is as far as we are going to take that one. We may return to it in the future.

Let us move on. Can you explain the thought process behind making the savings in the programmes relating to child obesity, healthy minds of children and tobacco, alcohol and drugs? I do not need to say this because you would agree that, ultimately, these programmes save money later on. We here at the GLA are at the cutting edge of the innovation on some of this work, as you described earlier in terms of working with other partners. Tell us about the thought process behind this cut.

Sarah Mulley (Interim Executive Director for Communities and Intelligence): The process we went through both in the Communities and Skills Directorate and also more broadly to identify savings in the current year started by looking at where money was uncommitted and where we had flexibility. We then prioritised according to where projects - some of the ones we have just talked about - we thought would be a challenge to deliver in the current context. Then we thought about what the priorities were for London and for the recovery programme. As I said, we have held back money to pay for recovery priorities.

What I would say about these health programmes is that we have identified some savings there because there was money that was uncommitted. The view of the team was that given the particular circumstances in which we find ourselves, those programmes needed to be fundamentally rethought. Our expectation is that we will be funding different activity related to those issues, likely from the Recovery Fund that we have identified for the current year. Then, as we are developing the recovery missions for the recovery programme, healthy food and healthy weight, and mental health and wellbeing are the two issues that have been identified by partners as the really big priorities for London. Again, as we look more fundamentally at GLA resources and budgets for the future, it will reflect those priorities.

My expectation is not that we are stopping activity in these areas either in the current year or in the future. We are working on the basis that there will be different activities, which will be funded through some combination of that recovery money that has been held back in the current year and then a reprioritisation and a reordering of budgets in the future.

Len Duvall AM (Deputy Chair): Thank you for that. Can we then move on? Can you explain also, in the information you supplied, a figure of £164,000 in savings being delivered through the reduced spend on social mobility. What does that actually mean? Can you give us some further details about those savings?

Sarah Mulley (Interim Executive Director for Communities and Intelligence): I am just going to get the details up in front of me. I would say the same basic argument applies to that area as to the points I have just made about health. The social mobility budget, which sits within the Communities and Social Policy Unit, is where we have funded some work around poverty and, for example, work with primary schools to support low-income families. There is emerging work there about social welfare advice for Londoners.

The savings, again, I would say are in a category where they were uncommitted and the team took the view that the plans needed to be significantly revised to meet the current circumstances. We have identified a saving there, but this is another area where our strong expectation is that we will continue to fund work in the current year funded through the Recovery Fund. Indeed, this is an area where we would expect our work to be expanded given the challenges that London now faces.

What we did in that area was to continue funding for things that were in delivery. For example, the employment hub has been really important in giving people employment rights related to the end of the furlough scheme. We have continued the work in schools.

What we have done, as I say, is we have put some of the uncommitted money there where changes are needed, back in the pot, but again this is another area where I am not anticipating that we are stopping or indeed scaling back our activities. If anything, this is an area where, given the priorities that we have set out for the recovery, we would expect to be allocating more resources in the future.

Len Duvall AM (Deputy Chair): This is about understanding how this part of the budget works. £164,000 is uncommitted. Is it a reserve, then? How does it work? You dip into it as and when as projects arise. How does it work there? It just seems a large amount of money to be sitting in a budget in an uncommitted way. One wonders how much more of that goes on in the GLA. How does that work? I know it is a wider question not for you to answer, but how does it work for you under your budget responsibilities? You are painting a picture of a large area where there is a large sum of money that is not committed for any project at all and we can easily take that out. How does that work? Not easily, but they are all difficult decisions. How does that work?

Sarah Mulley (Interim Executive Director for Communities and Intelligence): When I say “uncommitted” in this context, what I mean is that at the point in the year when we were looking at the budget again, it was not contractually committed. We were not in a contract or a grant agreement to actually spend that money. The full budget was planned and in fact in this case there was a MD in draft right at the beginning of March [2020], which we have since revisited given the changing circumstances. The money was not unallocated in the sense that you are suggesting it might be. There were plans in place, as there are across the whole budget, for the projects and programmes that that money was to be spent on, but it was not at the point at which we were making this budget reprioritisation contractually committed, which meant that we had the flexibility to think about whether we needed to spend the money in the same way we had planned before the pandemic.

Len Duvall AM (Deputy Chair): OK. I need to move on. Thank you very much for the way that you have answered the questions. No doubt we might follow up with some further written questions around your budget area.

I need to go to the Executive Director of Good Growth, Phil Graham. I have three questions for you at the moment. One concerns the 24-hour London programme. There is a saving being claimed for that, but then somehow you have reallocated part of that saving made through the Recovery Fund. I thought with the Recovery Fund - I might need you to expand this a bit further - we might be doing something a bit different.

Is that point two part of the same ongoing work or is that going to be spent on something different in terms of what you are trying to do with the 24-hour London programme? How does that work in your world?

Phil Graham (Executive Director for Good Growth): It was something different and we have identified the options. Much like Sarah [Mulley] said, we identified that there was noncontracted activity within the 24-hour London programme that we could postpone or possibly not take forward to release the saving. That was around Night Time Enterprise Zones and so on. That created the saving.

However, through the work that the Night Czar Amy Lamé has been doing co-chairing the [London Transition Board] Business Reopening Subgroup, we identified a really urgent need for better data on high street footfall, to be honest, both in the night-time period and over the day as a whole, and the opportunity to get real-time data on high street footfall that would inform decisions being taken by that Business Reopening Subgroup. Those savings were placed in the Recovery Fund, but then an element of that Recovery Fund was allocated for the data procurement. It is a combination of credit card data about where purchases are being made and mobile phone data about where people are travelling to that is now feeding into the transition work that is underway and the Business Reopening Subgroup that is a part of that.

It is not cancelling, delaying or postponing one part of the programme just to spend the same money on the same things through another route. It is reallocating funding. It is still being spent. It was still spent through the 24-hour London team, which I guess is why it has that name against it in the MD, but it has a much broader relevance.

Len Duvall AM (Deputy Chair): Can we just check out, Chairman, whether all those in the recovery programme are new areas of work that have been reallocated and go through the detail? Thank you for that answer.

Let us turn to your tree-planting scheme. Again, at the beginning of 2019/20 there were delays in the tree-planting programme. How far is the target in the programme being in a target for a new programme? Where are you picking these issues up? Again, that cannot be all COVID. That is where the Mayor has taken a decision that he wants to do X and actually we have been a bit tardy, it seems to me, in terms of meeting that target. Can you talk us through that and what steps you are taking around that?

At the same time you are mulling over that - and I will give you a bit of a moment to do that - a number of your savings are found from the reduction in crowdfunding growth. If I have this right, in my understanding, I know the need to make savings. I am more interested about the choices and how you have latched onto the choices that you are making between one saving and another saving. Does this not risk in terms of ending this work taking power away from Londoners about shaping their own local areas around some of those issues and our support to that work? I thought it was one of the good things we used to do in enabling others to be part of their communities.

Answer those two points and then I might give you a break.

Phil Graham (Executive Director for Good Growth): Yes, thank you. To pick up on the latter point first, you are absolutely right that there were no easy decisions here about where we were going to make savings and a lot of it, in truth, was driven by where there was flexibility, where things were not in contract and where we had scope to move things.

As was picked up in the MD, there are a small number of areas - crowdfunding is one of those and there is also the Culture Seeds programme - that are about small-scale funding for London communities, which in the first instance we took a decision to step back from. The crowdfunding and the Cultural Seeds programmes were expansion programmes or continuation programmes. The programmes themselves are still going and we are still engaging with the groups that have received funding through them, but we will be looking - particularly now that the need to enable resilient communities is clearly part of the recovery programme, as flagged in the MD - at whether there is a case for using some of that Recovery Fund for a restructured community support programme that could replace some of these that we have had to at the very least put on hold and possibly not take forward in the longer term. Again, that will play out in the decisions we have to take next year about the deployment of our budget then.

The other thing I would stress in terms of the crowdfunding programme is that although the crowdfunding programme was not taken forward, the Mayor has put in place the Pay It Forward programme and a £1 million match-funding fund around that, which has provided an enormous amount of support and has enabled Londoners to have a mechanism to provide support for small businesses, cultural venues and so on of the kind that might have been supported through the crowdfunding mechanism in any case. It is a more targeted

support approach and an approach that brings in Londoners rather than the simple grant mechanisms that the crowdfunding programme had. This is not an area that we are completely stepping away from but we are having to think about how we can achieve it best in the current context. Similarly, the Culture At Risk emergency funding has been important in those areas.

There has been a restructuring. There has been rethinking about where this funding needs to be targeted given what we know about the impacts of COVID. In the longer term, we flagged back in MD 2666 that this area of community support is inevitably and critically an area that will need to be looked at as the recovery programme gets underway and as we think about the deployment of resources from within that recovery fund. Clearly, those will ultimately be decisions for the Mayor.

In terms of the tree-planting programme, we have been continuing to make progress with the grants that we were given. There are always challenges when local authorities and boroughs and indeed the GLA are hit with a new range of challenges through a pandemic such as this one, but we have been continuing to try to push those through.

More generally, we have retained a significant proportion of funding of around £600,000 that had previously been earmarked for the continuation of the tree-planting programme and repurposed that, again in the light of the COVID pandemic, towards a broader grants programme for environmental and community groups to create additional green space and to refurbish or renew green spaces that are in existence at the moment.

We wanted to do that for two reasons. Partly it is because access to green space has become so critical. Over the course of the initial lockdown, it was a crucial part of how you could support mental health and wellbeing across the capital. Also, the civil society side of this and those environmental groups that provide that renewal, refurbishment and work on those green space projects across the capital have themselves been hit incredibly hard by the COVID pandemic because access to funds and so on has been so much more difficult. There have been challenges around how people can volunteer through them. Providing a route by which they can secure funding and through that to create a degree of stability and themselves provide the green space and the services that we think Londoners need seemed a better way to use that fund than to simply plough on, which is probably the wrong phrase, and to continue with the tree-planting programme exactly as designed.

Len Duvall AM (Deputy Chair): Thank you.

Susan Hall AM (Chairman): OK. I will just ask you a quick question and then I will come to Assembly Member Berry.

The Mayor did promise he would plant 2 million trees in his first term. We are six months over that period of time. Exactly how many trees are being pledged now? The last figure I heard, there were 287,000 having been planted. Where are we now with those 2 million that were promised? You are on mute.

Phil Graham (Executive Director for Good Growth): I apologise. I am afraid I am going to have to say I will have to go back and write you with the total figures for that. I know that the target that we set ourselves for 2019/20 through our performance reporting system was for 50,000 trees and we delivered more than double that at the end of the year, but I am afraid I do not have the total figure to hand. I am sorry. I will have to come back to you on that.

Susan Hall AM (Chairman): That is OK. Can you tell me then why you had only projected that amount when you knew that that would never take us to 2 million?

David Bellamy (Mayor's Chief of Staff): It is probably just worth for the record noting that the Mayor never made a manifesto commitment on 2 million trees and nor has he as Mayor made a commitment on that number.

Susan Hall AM (Chairman): In 2015 he tweeted that he would plant 2 million trees if he was elected. I still have the tweet if it is of help.

David Bellamy (Mayor's Chief of Staff): Then he set out his position in his manifesto.

Susan Hall AM (Chairman): Are we to ignore anything that the Mayor says he will do, then, Mr Bellamy?

David Bellamy (Mayor's Chief of Staff): As I said, the Mayor set out his position in his manifesto, which was subsequent to that tweet.

Susan Hall AM (Chairman): OK. He tweeted that he would do something and now he is not. That is very disappointing yet again. Assembly Member Siân Berry wants to come back to Phil.

Siân Berry AM: Hi, Phil. I have a couple of questions for you about specific reductions in the revised budget that is in the MD. The first one of those is the cut to the Refill London reducing bottled water scheme with the refilling of the bottles that you can do on the streets. That has had a reduction in spend of £448,000. Can you tell us what proportion that is of the total budget for this year for that project?

Phil Graham (Executive Director for Good Growth): I will have to do a little bit of checking. Essentially, the programme delivers --

Siân Berry AM: I will have questions about why in a second, but I just wanted to know if that is most of this year's budget.

Phil Graham (Executive Director for Good Growth): Again, I would like to double check, but I think it is about 50%.

Siân Berry AM: About half of the budget?

Phil Graham (Executive Director for Good Growth): Yes.

Siân Berry AM: The current situation with the drinking fountains is that they have been closed. The webpage says that there is actually a low risk of catching a virus from a public drinking fountain but they have nevertheless been closed.

I am worried. Are you planning for the future of this project? There is an importance to healthy streets, to the ability of people to use our green and open spaces, and to people with lower incomes who cannot buy bottled water constantly. These fountains are needed. Are you doing work on its future, maybe on a different design

or more information about infection control to mitigate the very low risk that they say there is? I am just very concerned that this project may be doomed by this decision.

Phil Graham (Executive Director for Good Growth): The project is not doomed by the decision. Part of the reason that we stepped back was that we had delivered the original proposal. This money was money that was intended to expand it but we had delivered on the original plan or were in the process of doing so. We had agreements in place with Thames Water to get --

Siân Berry AM: Yes, they sprang up very quickly.

Phil Graham (Executive Director for Good Growth): Yes. At the point at which the decision was taken, the position was less certain around the health impacts of these fountains. As you say, the position has moved on since then and we are going to have to look at that. Within that, as we come to looking at the deployment of funds next year and there is an environment budget and the Mayor has identified a Green New Deal budget in the past to support that, we are going to have to look at what we think our priorities are. I agree that there is this set of issues around access to green space, around active travel, around reducing waste and recycling.

As in almost any circumstance, there will be more demands on that budget than there is funding available and so we are going to have to make some trade-offs within that, but certainly no decision has been taken at this stage that somehow, because we took a step back from this programme at the point that we were at in the pandemic and because of some of the financial challenges that we have at the moment, that means it would not be part of the mix as we go forward, but I cannot pre-empt exactly where the Mayor will get to on that.

Siân Berry AM: OK. We will follow that up with the Mayor. My second question is about the Warmer Homes Advice Service. The same MD says that there is £200,000 of reduced spend. What is the rationale for cutting this funding when the concerns about fuel poverty, about people having to spend more time at home and about the health effects of cold, damp and mouldy homes is a really key concern right now with winter coming along. What is the rationale for doing that?

Phil Graham (Executive Director for Good Growth): Again, the rationale was, as ever, that somewhere within these decisions we were going to have to take some difficult decisions. Again, we have protected the money to deliver the Warmer Homes Advice Service as it had originally been planned and envisaged. Since it was set up in August [2020] it has already delivered advice to over 3,000 households, helping them with grant applications, pointing them to other sources, to potential suppliers and so on. We took the decision that the expansion of that programme, particularly at a point at which other sources of advice and the Government's funding for areas around energy efficiency and warmer homes were starting to grow further, that this was an area amongst the hard decisions that we were going to have to take where we would have to hold off that expansion.

Again, the Green New Deal has been identified as one of the recovery missions. We are going to have to look hard at where we focus our funding. Retrofitting and energy efficiency is a part of that but, within that, there may well be a place for scaling up in future the advice service, but at this stage the decision that was taken was to protect what we have and make sure we can carry on with that and not to take forward the expansion that we had very much hoped to be able to put in place.

Siân Berry AM: Thank you for that answer, but I just cannot see the rationale for doing that, particularly not the potential equalities impacts and the different issues there are with people having to work at home and the amount of constraints there are on people's incomes. Basic energy saving advice and good advice on where to get help is so vital, but I will leave it there.

Phil Graham (Executive Director for Good Growth): Thank you.

Susan Hall AM (Chairman): OK. Thank you very much. The next questions were to Niran Mothada [Executive Director of Strategy and Communications] but she is not here and so I will direct a couple to you, Mary.

Mary, how is it possible that the newly created Strategy and Communications Directorate can save such a large proportion, which is just under a third, of its total programme budget for 2020/21 and how can that directorate's programme saving represent such a large proportion, again just over a third, of the total GLA programme savings for 2020/21?

Mary Harpley (Chief Officer): In short, because the direct impacts of COVID had a significant impact on the budget for that directorate in this year. You will see several significant sums related to events, not least the Euros [UEFA European Football Championship] but other events as well. Some of these things just cannot go ahead and so we will take the savings.

We will come to this later probably, but an important point to make is that many of those savings are one-offs for this year. We are not making long-term decisions about that budget in these savings, but we have the opportunity to take quite a lot of money out quite quickly on a one-off basis.

Susan Hall AM (Chairman): OK. It is a lot of money, just over a third of your savings.

Mary Harpley (Chief Officer): Yes, it is a lot.

Susan Hall AM (Chairman): Has any of the funding going towards London & Partners (L&P) been reduced, either in terms of base funding or for projects that it supports. Has any of its projects been repurposed or is any less money going to L&P?

Mary Harpley (Chief Officer): Would you mind if we asked Phil to answer that question initially? He has the detail around L&P.

Susan Hall AM (Chairman): Phil, do you have an answer to that?

Phil Graham (Executive Director for Good Growth): The funding has not been reduced. There was a funding agreement in place and that has been maintained, but there has been an enormous amount of repurposing of L&P activity to support the response to COVID. Part of that has been a repurposing towards support for businesses within London and away from some of the promotional activity that it does normally. It has set up and run the 'Because I'm a Londoner' campaign to encourage and improve consumer confidence within London and for domestic tourism. It has been running webinars and events for businesses in the key sectors it supports, most of which are some of the sectors that we think are likely to respond more quickly as

part of the recovery from COVID. It is creating peer-to-peer networks within those groups, running seminars and generally enabling support for those groups.

L&P has also repurposed and continued a fair chunk of its international activity because there is a huge part of this which is about stabilising the position for London. It has safeguarded a number of foreign investment decisions where potential investors were thinking of pulling out and has kept those in place. It is continuing to engage with the major events and conferences side of the industry because those events are booked two, three or even four years in advance. It is trying to make sure that those bookings continue to come in for 2022 and onwards, perhaps even for next year when we hope and expect we will be in a better position to hold them.

It has reorganised the delegations that it used to take out to other countries and other cities to enable different business sectors from London to present their businesses and the opportunities that they have. It has repurposed those as virtual delegations and, again, that is continuing to attract investment and to attract interest. There has been a lot of pivoting to deal with the new circumstances that we are in.

Also, L&P has been having to deal with challenges in terms of its ability to attract wider funding. It is not just the GLA funding that is an issue for them but the funding that we provide is still in place for this year.

Susan Hall AM (Chairman): £13 million plus, yes?

Phil Graham (Executive Director for Good Growth): £13.1 million, yes.

Susan Hall AM (Chairman): L&P is helping London businesses with their confidence?

Phil Graham (Executive Director for Good Growth): Part of what it has have been doing is pulling together an alliance working with Visit London and with a number of the private sector businesses to encourage consumers back into shopping and participating in other activities within London. The campaign is called the 'Because I'm a Londoner' campaign. It is not just GLA supported. They have brought in financial support and support-in-kind from a number of the advertising businesses and so on that they work with.

That has been part of what is being been pushing for the restart of consumer activity and economic activity in London. We have been gradually seeing increases in footfall within the West End and within other areas, clearly not solely related to that but that has been part of the environment that has been driving that. Unfortunately, we are yet to see the impact of the latest changes in the regulations but those may drive that slightly backwards again. Over the summer we were gradually making progress. That was linked to the business reopening work that I referred to earlier and the work that we have done on licensing, regulation and so on to enable businesses to operate in new ways, to operate outdoors and so on.

Susan Hall AM (Chairman): OK, only I think most people would say business confidence is not that good in London. What was the name of this scheme --

Phil Graham (Executive Director for Good Growth): If it was good in London, we would not be doing this work. That is why we have been seeking to do that.

Susan Hall AM (Chairman): Who is monitoring what L&P is doing and the effectiveness of what it is doing?

Phil Graham (Executive Director for Good Growth): The Board takes a strong interest in it. Also, Mary [Harpley] and I have regular sessions with L&P to understand how it is pivoting the activity that it is undertaking as part of that and how it can work with us and the wider activities that are taking place as part of the recovery and response to the pandemic to move forward. Then Laura Citron, who is the Chief Executive [L&P], is also part of the Mayor's Recovery Board, chaired by the Mayor and [Councillor] Peter John [Chair, London Councils]. That brings L&P into the discussion around the wider recovery programme.

Susan Hall AM (Chairman): Yes. We would like to see more than just discussion. What sort of targets have you set L&P? Given that we have given it £13 million, I am just wondering what targets are there.

Phil Graham (Executive Director for Good Growth): There are long-standing targets about the number of jobs created, the number of --

Susan Hall AM (Chairman): Has this changed, though, given the situation now?

Phil Graham (Executive Director for Good Growth): We have been in discussion with them and they are producing a new business plan, which we are reviewing and will be agreed by us and the Mayor as it comes forward, but there is not a new set of targets in place right now, no.

Susan Hall AM (Chairman): When do we expect those to be in place?

Phil Graham (Executive Director for Good Growth): Over the coming months. Yes, this is work in progress at the moment and so I would expect the revised business plan to be in place shortly.

Susan Hall AM (Chairman): Shortly? OK, because we had discussions on the last one that seemed to take forever and a day. Let us hope we do not have to wait that long for this because, if L&P is funded with £13 million of taxpayers' money, we want to know that it is actually good value for money. OK. Thank you.

We will move on now and my colleague Caroline Pidgeon will take the next set of questions.

Caroline Pidgeon MBE AM: Lovely. I would like to first of all ask David Gallie a question. You wrote to the Chair of the [GLA] Oversight Committee. Why did you decide that you felt it would be unhelpful to show the original programme budget levels in MD 2666, which would have highlighted what proportion of each programme budget was being saved, to make it easier for people to understand what savings you were making?

David Gallie (Executive Director for Resources): Caroline, thank you for the question. There is always a balance to be drawn between trying to write a decision and information around that decision that is clear and transparent as against having detail in there that can perhaps obscure the key messages. What I was trying to do in that particular report was to bring out the core issues.

As I mentioned in the letter you referred to, I am happy to discuss with you and your officers the balance that you would want to have in terms of that overview as against detail. I am happy to improve that information. If you want more detail, I am happy to set out more detail around that.

Subsequently, the detail that you are after has now been published in other decisions and there is no issue for me around information being available and made transparent. It was just trying to ensure that we produced the information in the most accessible fashion.

Caroline Pidgeon MBE AM: You said that you thought it would be more complex and would become more complicated. We felt that actually it is needed in order to ensure transparency.

David Gallie (Executive Director for Resources): I am happy to learn the lesson of that and in future liaise perhaps with Gino [Brand, Senior Policy Adviser, GLA] to ensure that I can produce the information as you want.

Caroline Pidgeon MBE AM: OK. Is it £14 million of in-year programme savings? Is that right? £14 million has been created across the GLA and Mayor budget?

David Gallie (Executive Director for Resources): Overall, the savings were £20.1 million.

Caroline Pidgeon MBE AM: That has been achieved this year?

David Gallie (Executive Director for Resources): That is the budget reduction we made in that decision. There is an issue about exactly what proportion of staffing as against programme budgets will ultimately come through. You will recall as part of that decision there was £3 million that was taken as a proxy for the vacancies as a means of a staffing saving. That is detail that we are still working through to minimise the impact of that reduction. We have an initial profile of what that split between programme and staffing would be but that is still work that we need to pull through as part of delivering those savings in 2021.

Caroline Pidgeon MBE AM: In terms of your role, you are a step removed from all the directors in these directorates who are working in areas and perhaps very passionate about particular programmes. You are slightly more objective in terms of looking at the numbers and the bottom line and what you have to secure there.

Does it suggest to you, because you have managed to come up with £20.1 million in in-year savings, that there is quite a lot of financial flexibility within the budget?

David Gallie (Executive Director for Resources): It is nice for you to think that I am objective. I am sure my colleagues are also equally objective. The context as we described earlier it is an extraordinarily difficult one. We have the impact of the pandemic. We have large reductions to be made and there are really difficult choices to be made around that.

The way I would look to characterise it - which perhaps comes on to the discussion of the 2021/22 budget process - is that we are looking very much to change the way in which we are delivering our budget and focusing it on recovery alongside the necessary reductions. We are looking at a major transformation in the way we are thinking about the budget to reflect the new situation. Inevitably, as part of that, there will be some difficult decisions to be made but also ones that will be based on having greater flexibility about the way we are using our resources than we have in the past. The way we have organised ourselves in the past is not necessarily the way we are going to bring forward the proposed 2021/22 budgets and indeed it is not possible to do so given the challenges of the pandemic and the need for us to boost London's recovery.

Caroline Pidgeon MBE AM: Do you not accept that there has been clearly some flexibility within the budget to be able to come up with in-year savings that are so significant?

David Gallie (Executive Director for Resources): Yes. As my colleagues have said earlier, a lot of those savings are around programmes which it is just no longer possible to deliver and therefore it has been opportunistic in that sense when things have been able to be stopped. However, as Mary [Harpley] said in the answer to the question on events, a lot of these savings are one-off. There are events that we would hope will be able to continue being resourced in future years. The Euros [UEFA European Football Championship] is one of those. That just compounds the challenge we are facing in meeting the 2021/22 savings target.

Caroline Pidgeon MBE AM: Thank you. Can I come to the other David now? There is a huge number of in-year programme savings. What do you see the overall impact will be on Londoners for this degree of savings?

David Bellamy (Mayor's Chief of Staff): As David [Gallie] has said, a number of the savings were necessitated by events. Clearly, the obvious example is the Euros 2020, which did not happen and therefore the spend associated with that did not happen but, as David says, that is going to come back next year. A very significant proportion of the savings are either where events could not happen or, as we have talked about, some specific examples of projects that were not deliverable in the circumstances. We all absolutely want to support and want to see more apprenticeships, but if companies are not in a situation where they are able to take on apprentices, then that project is not going to move forward.

There is no doubt that there has been an impact. I would refer you to the quarterly performance reports, which give a red-amber-green in terms of delivery and outcomes. You will be able to see there that from where we were at, certainly at the end of Q3 and the end of Q4 report, the pandemic had started and so we start seeing the impact there but then really at the end of Q1 and overall we see a worsening in all those ratings, which does reflect that impact.

Caroline Pidgeon MBE AM: Do you see that actually you have had quite a high degree of flexibility within your budget or do you accept it completely as, "We have chosen not to run these things because of the current climate"?

David Bellamy (Mayor's Chief of Staff): I guess, in terms of the savings target in front of us that we were trying to meet, there were some things that were relatively straightforward. The Euros are not happening and that is a significant factor. There were other things that were very difficult. We had three rounds of meetings for every directorate and there was a lot of spin-off activity and executive directors coming along with proposals in between that. They were tough discussions. There is no getting away from that.

What really concerns me, if I am honest, is that, as I say, some of those savings were simply because for one reason or another a project could not proceed in the extraordinary circumstances we were in. We find ourselves as we plan for next year expecting the Euros to happen. Maybe we are not looking at a stadium full of 80,000-odd people for each match, which would be a terrible shame, but we are where we are. We will have to work through the consequences of that and similarly for other events and other projects. The overwhelming nature of those savings was that they were one-off things. They were not things where we could say, "That

activity is just unimportant. We do not need to do that anymore". That is what is going to pose a very real challenge.

As David [Gallie] said, as we are working now on the 2021/22 budget, we are very much trying to ask, firstly, what are the statutory things that the GLA Mayor budget has to support and then what are the core things we need for the organisation to function? Both all the statutory and core costs are absolutely up for challenge. Then it is about those things that either are foundational in terms of London's recovery or are things that have missions set by the Recovery Board. It is going to be about how we can fund those and that is going to lead us to some very tough decisions about areas of activity that we are simply not going to do anymore.

Caroline Pidgeon MBE AM: Lovely. Thank you very much.

Susan Hall AM (Chairman): Thank you. Can I just ask you? The Mayor said at Mayor's Question Time (MQT) earlier this month that reductions had been made in 71 projects or programmes. How many individual mayoral projects or programmes are there in total approximately and could we have a list?

David Bellamy (Mayor's Chief of Staff): I imagine that 71 will be the number of entries in MD 2666. The comparator - I cannot manage to talk and search for it - would be in the MD that set the budget. I believe there is an appendix that lists out all the projects. We can summarise and write with that answer.

Susan Hall AM (Chairman): If you could send them, that would be really helpful. Before we finish that section, Rickardo [Hyatt], can we have an organogram of your department, please? That would be really helpful for all of us to see, if that could be sent to us, so that we can see where there are issues and so on.

To go back to Phil, somebody has just sent this to me. London has the worst footfall in the country. Please can you write to us and let us know exactly when L&P intends to deliver its business plan so that we can start to hold somebody accountable for when that is coming through? After all, I say again, they have £13 million worth of taxpayers' money and it would be good to know where that was going. If we can list that, Gino [Brand, Senior Policy Adviser, GLA]? Thank you.

David Bellamy (Mayor's Chief of Staff): At the risk of creating more work for Rickardo [Hyatt], for which I apologise, it would be helpful if he can give you that staffing information and can set out in some appropriate way which of those posts come from external funding and which come from discretionary funds. That would be helpful.

Susan Hall AM (Chairman): That would be very helpful because the last time I asked Rickardo there were 200 people in the department. It would be good to know which ones are being funded by us and from others. Thank you. Sorry, Rickardo. It is extra work for you but it will be very interesting for all of us, I am sure.

OK. We are now going on to the Mayor and Assembly savings comparison, starting off with Len.

Len Duvall AM (Deputy Chair): OK. Can we place this on the record? This is to the Executive Director of Resources. Why is the notion of discretionary mayoral funding being used to establish saving targets for the two GLA component budgets when it does not link to the level of spend or the degree of financial flexibility available to each component?

David Gallie (Executive Director for Resources): Our starting point in making the savings was to look at the losses that we anticipate on council tax and business rates as set out in the Mayor's budget guidance. To the way in which we were looking at those savings falling would be each member of the Group's proportionate share of business rates and council tax then falling by that sum. Following that, the Mayor was very keen to ensure that police and fire in particular were protected, and Transport for London (TfL), because of the discussions with the Government. They were ones where we did not want to have any tweak to the number. We applied a straight percentage to TfL, the Mayoral Development Corporations (MDCs) and both component parts of the GLA on their proportionate savings. There was no attempt to try to reflect the controllable elements of the spend in various parts of the organisations beyond the tweak of police and fire, which reflects, I guess, the police officer numbers issue and the difficulty of not being able to reduce those numbers in the way you can with other officer staff.

The one thing I would add to that, though, is that there was a recognition of looking to rebalance the two component parts of the GLA where the Assembly of course has a slightly lower reduction than the GLA Mayor's budget. There are discussions we are having around some work, Len, as you know, on defining the controllable elements, in particular the Assembly Members' salaries. Those are going to be fixed in the way that the Mayor and his and his team are fixed and those conversations are ongoing between us.

Len Duvall AM (Deputy Chair): Would it not have been fairer to use the revenue expenditure adjusted for specific grants to determine the level of savings to take into account the capacity to make savings?

David Gallie (Executive Director for Resources): Yes, there is an argument we can have that the Mayor made some choices around those savings. There are many different ways in which you could tailor those savings.

Where we are, it is important to take a step back around the degree of uncertainty we are still facing. We have made our best forecasts of what we think the losses will be, but it will not be until the end of January that we will know with any great certainty the exact number. At this stage, the savings are to be exemplified and illustrated across the Group and the Mayor will make his decisions once final holding sums are available. At this point, it is around people illustrating the impact for those decisions to subsequently be made, rather than that definitively we are taking money out.

However, I would add the caveat that given the scale of reductions we are facing, it is inevitable that there will need to be certain reductions taken well before that time, hence the work that we mentioned before on our GLA November budget for 2021/22.

David Bellamy (Mayor's Chief of Staff): Sorry. I may just have misheard the question slightly but, for clarity, of course, money that is received by any GLA Group organisation that is ringfenced to a specific project is unaffected by this and is ringfenced and cannot be repurposed to things that are funded out of restricted tax income.

Len Duvall AM (Deputy Chair): OK, Chairman.

Susan Hall AM (Chairman): All right. Thank you very much. We will now move on to questions from Tony Devenish, Assembly Member.

Tony Devenish AM: Thank you, Chairman. Good morning. I would like to start briefly with David Bellamy before moving back to David Gallie if I could because my question is not just a numbers question. It is a strategic question. Very simply, David and team, you are the executive mayoralty. We are the Assembly and we are there to scrutinise you.

Let me just give you this figure in context. Do you really think it is reasonable that the Assembly's savings for 2021/22 are 17% of our revenue while the Mayor and his team's savings are only 2%? Surely that is not good for public scrutiny and democracy, Mr Bellamy.

David Bellamy (Mayor's Chief of Staff): I have absolutely no idea where you have the 2% figure from. That has no bearing on the reality of the challenge we face.

Tony Devenish AM: It is 2% of revenue less specific grants for 2020/21, to be specific. Apologies if I did not make that clear.

David Bellamy (Mayor's Chief of Staff): I really do not understand that number or the basis of comparison at all.

David Gallie (Executive Director for Resources): To clarify, Assembly Member Devenish, in the Mayor's budget guidance the 17% figure was for the Assembly. The comparable number for the GLA Mayor is 22%. As I said earlier, we deliberately looked to move a slightly lower proportion of Assembly savings compared with the GLA Mayor budget.

Tony Devenish AM: I must have a typo in my script, then. I apologise.

Caroline Pidgeon MBE AM: No, you do not.

Tony Devenish AM: The point is still that the Assembly is taking a rather larger percentage of saving projections than the mayoral team. Is that correct?

David Bellamy (Mayor's Chief of Staff): No, that is not correct. I have not seen any reasonable comparable basis on which that can be assumed.

Tony Devenish AM: I will come back on that one, Chairman, then.

David Bellamy (Mayor's Chief of Staff): Assembly Member, if you wish to write and set out the detail of your methodology, I will quite happily respond and offer you my comments on whether it is an appropriate methodology.

Tony Devenish AM: OK. I will move on. I will go back and do my sums, but that is what my paperwork says in front of me. The Mayor's Chief of Staff has positioned the GLA revenue underspend of £5.5 million for 2019/20 in the context of it constituting less than 1.5% of the directorate's budgets. Does this statement not reveal the reality of the spending capacity within the GLA? That is to David Gallie.

David Gallie (Executive Director for Resources): As my colleagues explained earlier, a lot of the savings from that £5.5 million reflect the circumstances. Phil [Graham] mentioned earlier the issues about the tree

planting, which is a large component of that £5.5 million, and similarly some of the other programmes that were anticipated to spend have then been halted because of the pandemic. There is a degree to which that £5.5 million reflects those circumstances. It is not out of line to previous years' levels of underspend but, also, it reflects some of the other items that we have done corporately around, for instance, earning interest on balances as well.

I would always be very keen to ensure that we do not overspend, but at the same time we need to ensure that we get bang for our buck in the budget. I am concerned, to press colleagues, to ensure that we do not overspend, but at the same time we need to ensure that we get bang for our buck in the budget. Therefore, we are concerned to press colleagues to ensure that we can spend up. As some of your earlier questions across the Committee have indicated, we are very keen that we ensure that if there is flexibility in the budget, we can look to review that.

Tony Devenish AM: Thank you. Coming back on that, although everybody is using COVID as a legitimate excuse, and of course it is a legitimate excuse, you did point out that we have underspent in previous years as well. What specifically can you do to make sure that that underspend does not happen again and again and again? Of course, this year was the end of a four-year term if we had not had the terrible events we have had.

David Gallie (Executive Director for Resources): Yes. Obviously, we are very vigilant and we have regular monitoring. We are looking to move from the quarterly monitoring to very much monthly monitoring in detail, particularly around the pressures that we are facing. We are very vigilant around ensuring that we do not have that level of underspend that comes through. That will be something we are particularly working on as our resources reduce. In many ways the pressures will be to ensure that we keep within budget, both within 2020/21 and in future years, given the loss of income we anticipate.

Tony Devenish AM: Thank you, Chair, I will leave it there for now.

Susan Hall AM (Chairman): Thank you. We will write to you, Mr Bellamy, with those numbers, because when we sat down at length, they were correct and I do not expect my colleague to be able to run through them now. We will write to you and perhaps we can have an explanation another time.

We are now moving on to Mayor and Assembly budget growth comparison. These are to David Gallie. Do you share the view of the Mayor's Chief of Staff that the 19% increase in the Assembly's financing requirement over this mayoral term is fairly significant and may be regarded by some as dramatic?

David Gallie (Executive Director for Resources): Obviously 19% is a large increase over the period of time. One of things that I would say is that you can choose which year you start from to make these comparisons and come up with different levels of conclusions. You can go and pick and choose starting points. That particular number reflects this Mayor's term and is a reasonable starting point, but clearly you could go back to an earlier time and come to slightly different conclusions around the overall percentage increases of the Assembly as against the Mayor.

Susan Hall AM (Chairman): Yes, indeed. What role did corporate officers play in the figure of 19% growth being proactively included in the 7 August letter from the Mayor's Chief of Staff to the Chair of the GLA Oversight Committee?

David Gallie (Executive Director for Resources): My officers and I were asked a series of factual questions and we answered the factual question of what the Assembly's growth was over the period of this mayoralty, and that is the number. Obviously, the Chief of Staff would consider all those facts in responding to letters from other Assembly Members.

Susan Hall AM (Chairman): Once adjusted to allow a fair comparison, the equivalent increase in financing requirement for the GLA Mayor budget is 92%. How would you describe that increase of 92%, if the Assembly's 19% increase is fairly significant and even viewed by some as dramatic?

David Gallie (Executive Director for Resources): Obviously mathematically the conclusion is that it is a much larger increase than the 19%. I am not sure where the 92% comes from. I would be interested in seeing that figure.

Susan Hall AM (Chairman): It was based on the same way that you found the Assembly's to be 19%. We took the same criteria and that came up with 92%.

David Gallie (Executive Director for Resources): Presumably over a different period of time.

David Bellamy (Mayor's Chief of Staff): Can I try to help with that? My recollection is that the budget we inherited had tax income for GLA Mayor in 2016/17 of £142.2 million. The tax income in the budget for 2021 - which we are not going to all receive now, as we know and we have discussed - including one-off allocations, is £244.6 million. I cannot do the maths in my head but it is somewhat less than a 50% rise. Then the factor is to look at next year when, as we know - because this is obviously the issue and this is why we are talking about this - there will be no collection fund surpluses and there will be no business-rate growth, which is what led to those allocations. What we will see on that basis, if you want to look at it on that basis, is the GLA Mayor tax income reducing from £204.6 million to £107.3 million, which is a fall of 48%.

Susan Hall AM (Chairman): You have sought to disregard the excess businesses rates income on the basis that it supports one-off expenditure rather than ongoing expenditure. Is it not the case that almost the entire GLA programme budget is one-off in the sense that a future Mayor could discontinue, reduce, or expand on items within it as they saw fit?

David Bellamy (Mayor's Chief of Staff): That is true of any budget in any organisation. There is very unlikely to be a case where something absolutely has to be spent forever. We sit here in this building. We know we have a lease on it and whether the break clause is exercised or not, there is a point in time - which seemed a very long way away, when the organisation first in - when that would be reached. What the GLA Mayor budget reflects is a number of allocations - obviously a 25-year building lease is a particularly long one - a number of multiyear projects and programmes. When the Mayor came to office, we were advised there was some flexibility available from projects that were coming to an end. There were others that may have had break clauses that we may have been able to activate, and there were others that were just running on.

Susan Hall AM (Chairman): Although I appreciate that COVID-19 makes this uncertain for future years, in the 2018/19, 2019/20 February budgets, the Mayor's excess business rate receipts and surplus uplifts were forecast respectively at just under £200 million and £130 million. Even if you discount these as only funding one-off expenditure, would you concede that this sort of additional income highlights a significant scale and inherent flexibility in the Mayor's budget?

David Bellamy (Mayor's Chief of Staff): Two things. Firstly, I believe that is the total level of income, which obviously the Mayor had discretion to allocate across the Group. It is not the case that all of that went into GLA Mayor. For instance, £35 million was allocated in the 2020/21 budget for the violence reduction initiatives, and the Mayor has made a number of allocations on similar things over the years.

The second point to make is that we have to get our tenses right about this. The Mayor had that flexibility and those one-off choices and we were very careful and took advice carefully from David's [Gallie] predecessor about ensuring that we did not spend money on a recurring basis where the professional advice was it was not prudent to do so. We were very careful about that. Now we are in a situation where that one-off money, whether from council tax collection fund, business rates collection fund of business rates growth, or indeed the money from the pilot that the Government ended that went into the strategic investment fund, none of that exists anymore and is not going to happen.

The practical consequence of that is that for the things that Mayor has been able to use that money for - like, for instance, Young Londoners Fund, which had unanimous support from the Assembly, like the Green New Deal to respond to the climate emergency that the Assembly has recognised - those funding sources are not there anymore. Where we have multiyear programmes, as was touched on earlier, some of that money will be expended through in the year ahead for purposes of grant agreements and so on that we have entered, but it is not a source of future flexibility because we are not going to receive that money for the foreseeable future.

Susan Hall AM (Chairman): We do not really know what we are going to get in the foreseeable future. To absolutely clarify, do you or do you not believe that the extra £100 million or £200 million coming into a budget from when you first set it does afford you a real degree of extra flexibility?

David Bellamy (Mayor's Chief of Staff): It gave us the ability to fund some additional things on a one-off basis. It did not give us flexibility in the budget-setting process because we only get the numbers in early February about a week and a half before the final budget documents had to be published. It has never given budget flexibility in the general sense of setting the budget for each organisation. What it has allowed us to do is for the Mayor to address particularly priorities that we were not able to address in the recurring budget. That is part of the real problem now. We know that young people have been hit really badly by this pandemic and there is more and more we need to do there, but that funding source that enabled us to do that no longer exists. We know about the climate emergency. We have learnt even more about issues around air pollution, but that one-off funding that we had for the Green New Deal, we will no longer receive. That shows the very real problems that we face.

Susan Hall AM (Chairman): Everybody faces problems at the moment but I would have said that an extra £100 million to £200 million coming into a budget from after it has actually been set would give it flexibility. I think most people would have agreed with that. What is your role in terms of both setting savings targets and comparing relative levels of budget growth across the two GLA component budgets?

David Gallie (Executive Director for Resources): My role was to provide advice to, ultimately, the Mayor for his decisions that went into the budget guidance. As I explained in the answer to Len [Duvall AM] earlier, the advice started from the problem. The problem arises from our anticipated loss of business rates and council tax and therefore that was the genesis of the savings targets being set based upon those losses with then the

Mayor's decisions around tweaking some of those percentage savings, particularly for police and fire, as I explained earlier, but also the marginal change between the GLA Mayor budget and the Assembly budget.

Susan Hall AM (Chairman): What support have you provided to the Assembly?

David Gallie (Executive Director for Resources): As you know, Chair, there is a separate set of advice that I produced for you, arising from the letter from the Chair of [GLA] Oversight [Committee]. As indicated in the meeting when we discussed that, I am happy to talk in more detail around that. That particular paper reflected some more updated information from the information supplied to the Mayor, which was done in June/July, and the information to you reflected a more updated position from our draft accounts.

Susan Hall AM (Chairman): Do you stand by the statement you made in your letter that the Assembly savings are 20% lower than those for the GLA Mayor budget?

David Gallie (Executive Director for Resources): Yes. If you look at scenario 3, which is the basis on which we are assuming, the mathematics clearly say that the Assembly's share of savings is 17% and the GLA Mayor's is 22%. There is a clear differentiation between those savings targets. Clearly it does not necessarily reflect the discussions that are ongoing around the arguments about controllable spend. Those are conversations that doubtless will be ongoing.

Susan Hall AM (Chairman): No doubt. I have not had any indication anybody else wants to come in on that. We are going now to talk about staffing, first of all with my colleague Caroline Pidgeon.

Caroline Pidgeon MBE AM: Thank you very much. Picking up on the points by Assembly Member Hall, obviously as Executive Director of Finance you have a very unusual role in that you have two parts of this organisation you have to support and both sides have to have confidence in that support. I hope going forward the Assembly can have full confidence that you are on our side rather than coming across as just on the other side. That is a challenge. It is a challenge in both your roles. I do not envy you, but I would hope that.

I want to pick up staffing. I am going to lead these to the Chief Officer, who is huddled by a radiator as I am, and I am still frozen. Lucky all those Members at home with their heating or whatever on, because this chamber is freezing today.

Looking at staffing, the Assembly's secretariat staffing has remained constant over the last four years but looking at the rest of the GLA we have seen an increase of 124 staff or posts directly funded by the GLA. Why is this? Can you give us an overview, Mary?

Mary Harpley (Chief Officer): My headline answer to that would be we have staffed to deliver the roles that we have at the GLA as those roles have changed and increased. Quite a substantial number of those roles have been eternally funding. You have taken those off --

Caroline Pidgeon MBE AM: This is separate from that.

Mary Harpley (Chief Officer): I can see that. You are talking about the GLA-funded roles. As we go into every budget round, we consider what is the budget that we have, what are the programmes that we are going

to deliver with that budget and what are the staffing requirements of those programmes. That has driven the growth that you are talking about.

Caroline Pidgeon MBE AM: Would you accept 120 for staff increases, separate to ringfenced posts of money you have had with staffing associated, is quite a considerable increase over the last four years?

Mary Harpley (Chief Officer): Of course, I accept it is an increase. I am not going to query the numbers; if it is roughly 120, it is 120. However, we do not take on staff to sit at their desks not working extremely hard. We take on staff because there are jobs to be done.

Caroline Pidgeon MBE AM: When trying to look at the workforce that we have here at City Hall and looking through all the different reports and so on, it is very confusing because the term 'staff' and 'posts' are used interchangeably and quite confusingly, even in the GLA Workforce Report. Why is that?

Mary Harpley (Chief Officer): I do not know why it is. Since I have been here, I have done quite a lot of work across the organisation, but with the human resources (HR) team as well, to try to get much clearer what we are talking about when. When I arrived, it was not even very clear which were the numbers on our establishment, which are the numbers of approved posts against which we have budget versus what were the numbers of people in post, which are always different. Then within the people in post, what was the number of people in permanent posts, fixed-term posts, or people on agency contracts against those posts? Also, whether we talk in numbers of posts and people or whether we talk, as we should talk, in terms of full-time equivalents (FTEs).

We are still, I think it is fair to say, on a bit of a journey, trying to make sure that at any one point it is very clear exactly what we are talking about. I do think the latest Workforce Report is clearer but I accept it is not clear in every single respect.

Caroline Pidgeon MBE AM: If you look at the covering report to the Workforce Report, it stated that as at 31 March 2020 you had 1,308 post numbers and then inside the Workforce Report it talks about total staffing numbers at that same date being 1,172. Again, you are muddying the terms, which muddles it. Do you think that you should routinely use FTEs as the metric, which is done routinely anywhere else I have ever worked? Do you think it is appropriate that you currently use a system that counts posts, whether they are part time or full time, almost as the same? It means that we do not have a clear picture using this data?

Mary Harpley (Chief Officer): I will say a couple of things about that. I do agree that consistent use of FTEs is what we should be doing. I have responded to Assembly Member Duvall on that as well. We need to be much more consistent about that. We are getting much better. On the two numbers that you quote - and you are right they are both in the same report - the 1,308 is the number of posts on the establishment. The 1,172 is our current headcount, the number that we have and that we are paying for, but there is an FTE number now for that, which is the 1,137, which also makes it into that report. Going forward, we are absolutely clear we are going to use FTEs and we can build a proper history of FTEs.

Caroline Pidgeon MBE AM: That would be very helpful for everyone to understand the establishment here. Why does the list of externally funded posts at the GLA over the last four years also include posts that are part-funded by the GLA? Is this not again perhaps misleading misrepresentation and presentation of the data?

Mary Harpley (Chief Officer): It is not meant to be misleading. David might want to comment. It is only in recent years, perhaps in the last couple of years, that we have dug sufficiently into our workforce data to understand where the posts are that are externally funded, and where those are that are not. There are many posts that are part-funded by external sources and partly by the GLA. With every six-monthly Workforce Report I report to you about the fixed-term roles that I have created under my powers. We have got better in being very clear the extent to which those are GLA funded and externally funded. Some of the data that has come across to the Assembly recently on that has regressed to a black-and-white view of externally funded or not. I have said that we will play that back with a much clearer idea about the extent to which jobs are fully or in part externally funded.

Caroline Pidgeon MBE AM: Thank you. How effective do you think freezing the number of posts has been over the last year, when I have seen in here staffing numbers have risen by around 12% over that period? Would it not have been better to perhaps freeze recruitment and suspend vacant posts?

Mary Harpley (Chief Officer): That is interesting because I have been poring over these numbers as well, as you would expect. Our establishment posts are 1,308 at the end of March 2020. They were 1,305 the year before, the end of March 2019.

Caroline Pidgeon MBE AM: What is that as FTEs?

Mary Harpley (Chief Officer): I have the FTEs for the 1,308, which is 1,290. We were not looking at FTEs the year before but it cannot be very different because there are only three posts different, so let's assume those are pretty much the same. In terms of the establishment that we have approved and we are funding, both in posts and FTE terms, that has not changed, it is fair to say, between the end of March 2019 and the end of March 2020. What has happened, though, as you say, is that the number of people in post has increased. That is about us getting better at not holding large numbers of vacancies but recruiting to the posts that have been approved to do the jobs that they were approved to do.

However, we are taking a different approach now. Again, looking at the data for the end of March, which is just when the reality was hitting us all, we had a difference of 160 posts between posts approved on the establishment and headcount, roughly 160 vacancies. Since I have been here we have, I would say, taken control of our establishment by making it, frankly, very difficult to add posts to the establishment unless they go through an approval process that ultimately stops with me. However, we have taken the view that if a post is vacant and a director and an assistant director believe that post is still needed, we would continue to recruit to it. We are no longer taking that view and we are considering the need to recruit to vacancies with the same level of scrutiny as the scrutiny around creating jobs in the first place. That means that at the moment we are doing almost no external recruitment. We are not doing none, we are doing almost none. The recruitment we are doing is internal, which means we are in this constant process at the moment of managing staffing deployment to the areas that needs it most, while trying to keep our overall staffing numbers and staffing costs down.

Caroline Pidgeon MBE AM: It might be that you need to consider a complete freeze at the moment, given the budget pressures we have been discussing.

Mary Harpley (Chief Officer): Yes. As my team would tell you if you asked them, recruiting externally is very, very difficult at the moment. I am looking at Rickardo [Hyatt]. We have made an exception very recently

and Rickardo has recruited to an extended building safety team to manage some of the Government's new cladding schemes.

Caroline Pidgeon MBE AM: Yes, that is important.

Mary Harpley (Chief Officer): We have managed to recruit almost all of Rickardo's required jobs internally but there are a couple of external posts to more senior managers that we are now recruiting to externally, but I have put the team under huge pressure to do everything they can to recruit internally. However, when it gets to the point where delivering that programme begins to be put in jeopardy, we have to go out and externally recruit. That is probably a good example of the process we have been through.

Caroline Pidgeon MBE AM: Thank you very much.

Susan Hall AM (Chairman): While we are talking on this subject, before I bring in Assembly Member Devenish, two weeks ago I asked for an organogram for your department, Mary - I sent the letter to you - and for the Mayor's and we still have had no response and we have reminded you. If that could hurry up and come, please?

Mary Harpley (Chief Officer): Yes, it will. Thank you for the reminder.

Susan Hall AM (Chairman): Now we will go over to Assembly Member Devenish.

Tony Devenish AM: Thank you, Chair. Good morning, or I should say good afternoon almost, Mary. We are told that the post numbers - and I prefer the term FTE as well - stood at 1,308 as of 31 March of this year, yet staff numbers stood at 1,172 at the same point in time. Mary, is that really the case? Is the data really robust? From a number of things you said, you do not seem that sure yourself.

Mary Harpley (Chief Officer): Thank you for the question, Assembly Member Devenish. I am confident in the data. I was not confident when I arrived; I am confident now. The only thing I am reflecting in my answer to Assembly Member Pidgeon was that we still flip between headcount and FTEs in a way that is sometimes confusing. However, the equivalent for the 1,172 headcount is 1,137 FTEs and I am confident in that number.

Tony Devenish AM: Have you taken any robust advice from professional advisers on this to make sure the data is genuinely robust?

Mary Harpley (Chief Officer): No, but we are constantly triangulating the data and crosschecking it. There is clearly a link to payroll data, which we are constantly checking against. There is clearly a link to the staffing budgets across directorates, which David [Gallie] and his team are constantly checking against. We do examine the data every which way and I think that comes particularly, as I said, from the fact that when I arrived, I was not confident in it. Therefore, we do look at it from many different angles. David, do you want to say any more about that?

Tony Devenish AM: Before you do, can I give you the other angle? There were 1,305 posts as of 31 March last year [2019], yet there are only 1,043 members of staff. You talk about triangulation but I am not sure I am any more confident in your answers, I am sorry.

David Gallie (Executive Director for Resources): If I could add, the thing that we are completely confident about is that each month there is a salary run and we know the number of people we are paying, so we clearly know that headcount. Therefore, I am confident that we can get those numbers, as Mary says, by triangulating the data. We obviously need to do more work on this. It is a work in progress, as Mary has said, and the move to FTEs as our common basis of denominator is absolutely the right one and I hope we can give you confidence around these figures going forward.

Tony Devenish AM: David, you do not think you need some external professional advice on this, then?

David Gallie (Executive Director for Resources): The data is all there. It is not hard for us to add up the number of people we are paying each month. This is not something I think we need to have external advice on. The answer is straightforward, we just need to get to the bottom of some of the issues and work them through.

Tony Devenish AM: Thank you. I will go back to Mary for my next question, please. Mary, the unaudited GLA statement of accounts for last year, 2019/20, reveals an increase in the number of staff paid over £50,000 a year from 333 in 2018/19 to 404 in 2019/20. Why has there been this increase of 71 staff paid over £50,000 a year? Does the GLA really need over 400 members of staff paid this rather substantial salary?

Mary Harpley (Chief Officer): The increase would have been a factor of a number of reasons, not least pay award, not least people moving up the scales that people sit on within grades, and not least probably some recruitment. There are a number of things that drive that. On the second question about whether we need that number of people on that level of salary, that comes down to the posts we have - the job the GLA does and how that drives the type of posts we have - and how we evaluate those posts to pay people fairly for the jobs that they do.

Tony Devenish AM: Do you think that flexible working posts - or should I say at the moment during COVID - means that you may take a slightly different approach going forward? I use that horrible cliché but it is certainly true: this is taxpayers' money, Mary.

Mary Harpley (Chief Officer): Yes, I understand that, Assembly Member Devenish. We have spent this meeting so far, have we not, talking about the challenges of reduced funding at the GLA, not only this year but next year? As part of that and working out how we are going to live within our means, we are going to have to look long and hard at staffing costs as well as programme costs.

Tony Devenish AM: My next point I hope we can perhaps agree on, because it would be great if we could make progress. I was rather worried when I read the papers that on transparency we seem to be going backwards. Let me give you the example. According to the GLA workforce reports, you used to show the number of staff within each directorate within pay brackets of £10,000 intervals. Apparently, you stopped doing this after September 2018 and now you only show a bare bar graph with neither the numbers nor the percentage figures. Can we please restore the specific numbers to the graph in these reports, as it is much more transparent? We should not be going backwards in transparency in Government. It would be much easier to get a sense of how many staff earn what in each directorate at each percentage.

Mary Harpley (Chief Officer): There is no intention to reduce transparency and I will certainly have a look at what we have dropped. If Assembly Members wish me to, we will reinstate it.

Tony Devenish AM: That would be good. You will write to us on that?

Mary Harpley (Chief Officer): Yes, I will look at it properly.

Tony Devenish AM: Thank you. My next question. The increase in senior staff has resulted in an additional 39 staff in the £55,000 to £59,999 category. What underlies the increase? Again, similar to my previous question, is it, in a different era now, really sustainable or justified? Maybe Mr Bellamy would like to answer this one.

David Bellamy (Mayor's Chief of Staff): I do not think there is anything to add beyond Mary's answer about above £50,000, because it will be the same reply.

Tony Devenish AM: OK. Mary, I am embarrassed to ask you this question because it is your role, but why is the Chief Officer's remuneration not included in the table of senior staff on page 82 of the unaudited GLA statement of accounts for last year, 2019/20?

Mary Harpley (Chief Officer): Can I ask David Gallie that question?

David Gallie (Executive Director for Resources): I am just looking through the accounts on the data to bring up the sheet, because that is certainly information that we should produce. Perhaps I could come back to you formally in writing on that one.

Tony Devenish AM: Thank you, David. My last question is probably my most important question, because obviously we want to look after our staff at all times but particularly at the moment when everybody is particularly anxious in the COVID world that we are living in. I will start with David Bellamy on this if I can, please.

On redundancies we appreciate it is not possible to be precise at this stage, but some planning must have been done outside of the secretariat. What is the range you are planning for in terms of number of permanent GLA staff likely to be made compulsorily redundant as a result of this budget-setting process? This is my add-in and the Chair may want to intervene there, but if you do not feel you can answer that fully now, I would welcome a private meeting for the Committee because I do think we have to reassure our staff at this difficult time.

David Bellamy (Mayor's Chief of Staff): You are absolutely right about the difficult challenges we face and the need to do the right thing by our staff, which, as you suggest in any case, would limit what we might want to say in public. The reality at the moment about the process we are adopting, as David Gallie said earlier, is we are not, if you like, taking the existing budget and trying to salami-slice and say, "We will take £100,000 off that programme, we will stop that programme and that means those three posts are no longer needed there. Right, let's move on to the next area." That is not what we are doing. Instead what we are doing is a fundamental rebuild of the GLA Mayor budget based around the priorities set for London's recovery in this extraordinary position we find ourselves in.

What that very much means is that we are essentially building what we need and the posts we need to do it. Many of those, of course, will map exactly on to existing posts because, for instance, the climate emergency,

Green New Deal, is clearly one of the recovery missions, clearly a priority, and we have teams and projects working to that that are still absolutely relevant. However, we work through all of that and then it is very much at the end of that process where there is going to be a comparison between what we are proposing is the budget, and difficult decisions in we find that there is more we need to do in those areas than the money we have available, and then comparing that back to the current situation in the GLA. Essentially, the difference is where we will be looking at risk of redundancy.

The problem that we have in this process is we have to work through all that and it means it is probably at the end of the process that we get a handle on the list of redundancies. We also know of course that we have uncertainty around when we get final confirmation about income because we do not know when we will receive the draft settlements from Government, and any other announcements. We had the essential dropping of a three-year comprehensive spending review 12 hours before the deadline for submitting. It is clear that we are in a very fast-moving situation and it will create challenges. Absolutely when we get to the right point if there are some things that we can only talk about privately I would be happy to do that.

Tony Devenish AM: Thank you for that. I will not push the point other than to say I have had a number of employees ask me for advice on this recently in their areas. I say the sooner always that you do communicate this and sort it out the better because obviously you lose your best staff otherwise. We do not want the GLA losing good staff to other employers.

Could I finally, David, ask that you do write to Group leaders and this Committee as soon as possible with the date when you will be able to sit down with us and go through this in detail, please?

David Bellamy (Mayor's Chief of Staff): Yes. What I would say is that we will be together again on 24 November with the draft budget. At that point we will probably have some areas where we will know that what we are going to be doing is substantially less, or we maybe even stop all work in the area compared to what we are doing now. By that stage we should be able to give an indication in some areas. Others I suspect may be a little more work in progress, but we should see where we are by that point and then plot a course in terms of further discussions from there.

Tony Devenish AM: Thank you. Did the other David or Mary want to add anything to that? You do not have to.

Mary Harpley (Chief Officer): I do not have anything further to add to what David has said but it would be good to be able to have some of this discussion between closed doors when the time comes.

Tony Devenish AM: Chair, I will leave it there. Thank you, Chair.

David Gallie (Executive Director for Resources): Tony, I now have page 82 of the accounts up that sets out the information you were after. I am happy to relay it to the Committee directly or to write to you on that, if that is appropriate.

David Bellamy (Mayor's Chief of Staff): I think there is a row missing in the table.

Mary Harpley (Chief Officer): It does not have the Chief Officers.

David Bellamy (Mayor's Chief of Staff): It is obviously the draft accounts and so we have to ensure that is corrected for the final accounts.

David Gallie (Executive Director for Resources): Perhaps, Tony, I will write to you directly on that.

Tony Devenish AM: Thank you very much, Chair.

David Gallie (Executive Director for Resources): And copying you in, Chair.

Susan Hall AM (Chairman): We are talking about the Chief Officer remuneration, which obviously must go in there. If you can let us know.

David Gallie (Executive Director for Resources): It is worth saying there is an entry on page 81 about the Chief Officer but that has not necessarily made it across properly into the 2019/20 table.

Susan Hall AM (Chairman): OK. If that could be rectified, please. Assembly Member Moore, did you still want to come in?

Dr Alison Moore AM: Yes, Chair, a very quick question to Mary. You mentioned when you were talking about staffing, the debate about FTEs and whatever that there were a series of posts that were partially externally funded. Given the wider impact of coronavirus, potentially, on funding streams, what is your thinking in the medium and longer term about how you secure posts that are currently not completely funded by the Assembly and what impact that would have?

Mary Harpley (Chief Officer): We are thinking about it in two ways. As we think about our own funds - and we need to think very hard about when those are matched up with external funds - we need to be very careful that we do not cut out our opportunity of external funding by cutting our own funding. Avoiding that is an important part of some of the planning we are trying to do around the budget. That is the first thing. The second thing is that we will have to get as good an understanding as we can about the sustainability of some of the external funding that we do have. At the moment, I have to say, we are not picking up any immediate issues about it, because quite a lot of the funding is related to quite long-standing arrangements for different pieces of work. However, we will have to go out and make sure that we robustly assure ourselves that that funding is indeed going to continue.

Some of our staffing, as people know, is fully externally funded, but as Assembly Member Devenish said, should some of that funding start drying up, that would have an impact on the people we employ on those programmes. Those are our employees, not employees of the external funders. Every way you look at it, there are potential implications for our staff.

Dr Alison Moore AM: That is exactly the reason I was asking, particularly on those part-funded posts, having been in that position as a scientist in the past. I know it is a challenge of that balance between grant and external funding and core funding. Thank you very much, Chair.

Susan Hall AM (Chairman): OK, fine. Just to confirm, to end this up, you will reinstate the GLA workforce pay-bracket system that used to be in place that you are not doing anymore?

Mary Harpley (Chief Officer): Yes. I do not understand why we dropped it. That might have been just before my time, but I will certainly look at what we dropped and if Assembly Members want that reinstated, we will reinstate it.

Susan Hall AM (Chairman): Yes, we do. Thank you very much for that.

Moving on - this is for David Gallie - why was the GLA monitoring report for Quarter 4 (Q4) 2019/20 presented to this Committee a month late? Do you think that is acceptable either in business or in transparency terms?

David Gallie (Executive Director for Resources): The issue with Q4 is also it ties in with where we are with our accounts. We set very ambitious but realistic targets for our delivery of our monitoring reports and it is very important that we do that. Our target is very much that we look to publish that within 35 working days of the end of the period and that is something that we will look to reinstate. It is disappointing we did not make the deadline.

David Bellamy (Mayor's Chief of Staff): The reality this year was that while we normally set a deadline that reflects the publication of draft accounts, that deadline was relaxed by the Government but, just generally, the pressures of the situation meant we were not able to deliver on the schedule that we normally do. I have to say, in the end the Q4 monitoring reports had a very comprehensive suite of directorate performance information in there. The guidance I was getting, which I was to be honest pushing back against a little, was that in the circumstances we would not get monitoring information out of individual projects; it would be difficult to do. In the end, through the benefit of having a little more time, we were able to produce the comprehensive dashboards.

Mary Harpley (Chief Officer): We had to make the decision quite early into lockdown that we could not deliver the Q4 performance suite to its normal schedule and I let the Assembly know that as soon as we made that decision. We caught up at Q1. Q1 was on time and Q4 was about four weeks late.

Susan Hall AM (Chairman): Monitoring is so important at the moment, given where everything is, I am sure you agree.

What are the levels of the COVID-19 grants and the Right to Buy receipts, what is the COVID-19 grant being used to fund, when was this grant received and when was its existence made public and how?

David Bellamy (Mayor's Chief of Staff): There were three tranches of grants awarded by the Ministry of Housing, Communities and Local Government (MHCLG), although we received no funding in the third tranche. It is only tranches 1 and 2 that are relevant and, overwhelmingly, that has been allocated to rough sleeping. In total, I think something like £16 million of those grants went to rough sleeping. Beyond that, there were allocations to the Mayor's Office for Policing and Crime (MOPAC) and the London Fire Commissioner to reflect some of the additional costs that they had incurred in responding to the virus, and some smaller allocations in terms of resilience and staffing costs associated with our response.

Susan Hall AM (Chairman): Exactly how much have you received in total?

David Gallie (Executive Director for Resources): From the Government?

Susan Hall AM (Chairman): Yes.

David Gallie (Executive Director for Resources): It is £18.5 million.

Susan Hall AM (Chairman): £18.5 million. OK, fine. Thank you. Mainly on homelessness?

David Gallie (Executive Director for Resources): Yes.

Susan Hall AM (Chairman): OK. Interest receipts were double their budgeted level in 2019/20. Can you tell me why this was and what assumptions were made in setting the budget for this item at the start of 2019/20? David Gallie?

David Gallie (Executive Director for Resources): We are fortunate in that we have very strong cash balances and, during that period of time, we were able to also maintain a very good level of interest being earned on those balances. In addition, there has been some very innovative work led by our Chief Investment Officer around investing in other products rather than just investing with financial institutions, which has also boosted returns. Unfortunately, those good times are ending very shortly in that interest rates are virtually now at zero. There is even talk of negative interests, which has obviously put pressure on those budgets going forward, albeit that our cash still remains strong.

Susan Hall AM (Chairman): Do you think this confirms a significant degree of financial flexibility in the mayoral budget with an additional £23 million of income available?

David Gallie (Executive Director for Resources): It does increase flexibility, but the issue is also that they have become a very volatile income source. Although we generated large sums, as you say, in 2019/20, those sums are going to fall significantly because it is ultimately dependent upon the interest rates that are set, and interest rates have fallen significantly and may fall further. The issue is you cannot really rely on that level of high interest being earned over a sustained period of time. It is not a one-off budget, but it is one that is subject to greater volatility. One of the things that I would be very keen to look at is that we make hay in good times by creating a reserve against some of the interest that we could earn when rates are good, as against the situation we are facing now when rates will reduce and our returns will fall.

Susan Hall AM (Chairman): You talk about reserves. There is a variance against the budget for movements in reserves of £84 million. Is that not worthy of an inclusion in the report but also of an explanation?

David Gallie (Executive Director for Resources): I am happy to explain the level of detail around that. Again, it was going back to [Assembly Member] Caroline Pidgeon's earlier question. For me, it is around just trying to get a balance between explaining what is going on at a high level, ensuring that you can take a view about the whole forest rather than getting bogged down in the woods because, essentially, those corporate items are ones which largely net out. Although you are right to point out the £84 million as one particular item of variance, that is ultimately offset by other capital financing transactions. Overall, in 2019/20, the corporate contribution to underspend was some £4.4 million rather than the higher growth number you have quoted.

Susan Hall AM (Chairman): Are you trying to argue that it represents a level of detail not worthy of inclusion in the outline report then?

David Gallie (Executive Director for Resources): No. I said earlier, I am happy to go through the level of detail and explain that. What I was trying to do, I guess, was to give you a very clear view about what was really driving the variance of the overall £9.9 million underspend in 2019/20. If I have that balance wrong, as I am hearing from the Assembly, I am happy, as I said earlier, to add in that level of detail. What I would be keen to try to do is ensure that the main messages from the stewardship reports are ones that are readily available to you and understood.

Susan Hall AM (Chairman): Yes, it is just it had been included in previous years and then one wonders why it was not included here.

David Gallie (Executive Director for Resources): As I say, my reasoning was genuinely to try to elicit the key information, rather than trying to not report something. I am obviously happy to report that, as we had done in later reports, when numbers are finalised.

Susan Hall AM (Chairman): I know you said you are worried we will not see the wood for the trees, but that would be something for us to be concerned about, as opposed to you.

David Gallie (Executive Director for Resources): Absolutely, and you do need to probe into the trees as well. I am happy to provide that information and happy, as I said earlier, to work with your officers around meeting those requirements.

Susan Hall AM (Chairman): Yes. It is not something new, it has been done before, which was why there was the question there.

Do you agree with the Mayor's Chief of Staff in his letter of 14 September [2020] when he states that the Q4 report is about directorates and not about corporate items? Surely, this is about the principal items in both categories.

David Gallie (Executive Director for Resources): I think it goes back to my earlier answer. We are trying to elicit what are the key drivers and what is really happening in the organisation as part of the performance monitoring. Although all the corporate items are ones that I am fascinated about, to be frank they are ones that in previous times have not really attracted that much attention from the Assembly. Hence, I think, the focus wanting to be on directorate variances rather than corporate items, which by and large are very complex but tend to net out.

Susan Hall AM (Chairman): We have lots of assistance from people who understand complexities, let me assure you, and we miss this level of detail because it does not show the whole picture.

Would you advocate that tens of millions of pounds of variances in corporate items should just be ignored/not reported, as you have done?

David Gallie (Executive Director for Resources): At risk of repeating my earlier answers, I am happy to report that level of detail. My objective was to try, as I say, to report something in as clear a fashion as I could, rather than adding in what often could be seen as unnecessary detail. I am obviously happy to go through the detailed transactions in future reports.

Susan Hall AM (Chairman): Yes, please. The Mayor's Chief of Staff was concerned in his letter of 14 September [2020] about "inundating the reader with too much detailed information". I do not really understand what harm can be done including tables that show a full set of reserve movements as in previous years. I have made that clear and I hope you are hearing this loud and clear.

David Gallie (Executive Director for Resources): Absolutely. As I said earlier, I am happy to work on ensuring that the information is provided at a level you wish.

Susan Hall AM (Chairman): Thank you. Do you think readers might be interested to know that there was a variance against a budget of £25 million for revenue funding with capital items?

David Gallie (Executive Director for Resources): I am at risk of repeating my answers earlier on. I am happy that we can work with you to report the right level of detail.

Susan Hall AM (Chairman): Good, because we were very, very disappointed in the report and quite shocked by various parts of it because the devil is always in the detail, we hear only too often. If the devils are not written down there, we cannot see, can we?

The final question on this section comes from my colleague [Assembly Member] Tony Devenish.

Tony Devenish AM: Thank you, Chairman. Can I go back to David Bellamy, David, because this is such an important question? What could be done to improve the promptness and transparency of the GLA monitoring reports? Can I underline the point before letting you answer the question, David? It is fundamental to democracy, scrutiny and, indeed, press freedom that we get this information in a timely and prompt manner because we cannot do our job and Londoners cannot scrutinise you either. Can you give us some kind of commitment that there will be an improvement going forward, please?

David Bellamy (Mayor's Chief of Staff): OK. Firstly, just to pick up Assembly Member Hall's point, it is worth noting that the Q4 finance monitoring report does have a table and then three paragraphs explaining where the £23 million variance on corporate items was and then the Crossrail, London Legacy Development Corporation (LLDC) and Northern Line extension. We should not contend that there was no information provided.

In terms of your point, Assembly Member, firstly, I believe it was this Mayor who introduced the requirement that we get reports out within 35 days of quarter end, always necessarily slightly later at the end of Q4 because of all the huge work involved in producing the draft accounts. We know that is a very aggressive timescale that the Government introduced and there have been challenges across the sector as a consequence of that. I absolutely agree about prompt and timely information and I have sat in front of this Committee in this chamber before, talked about this and said why I think it is important. I also said why I always welcome suggestions from the Committee about what information can be provided.

I will be frank that in my four and a bit years doing this job, a lot of the time it feels like we are pushing out information that nobody ever reads. In this instance, we found that there is some stuff that you would like to read and I am delighted to provide it. In the budget guidance to the Mayor, we affirmed the usual 35-day schedule. As we say, the circumstances at the end of Q4 in terms of the COVID-19 pandemic were genuinely

exceptional. While it did lead to a delay in producing those reports, we were able to use that time to get the information out of the partners who run projects for us and produce the comprehensive dashboards that we have been doing for some time now. I am aligned with the Assembly Member in the importance of this and colleagues will know that from the pressure I put on people privately to deliver against the schedules.

Tony Devenish AM: David, just to reassure you, we do read the information and I have got some amazing constituents who also read everything that comes out of this building. It is important for democracy. Have you got anything specifically that you can say, though, in terms of how you are going to make it better? Maybe you can get David or Mary. Your reassurance is welcome, but we do need to do better.

David Bellamy (Mayor's Chief of Staff): The fundamental point is that if there is information that people want to see, people should let David [Gallie] and Mary [Harpley] know and that can be reflected in the format. One thing that we are going to have to keep in mind, looking forward, is that this is going to be a somewhat transitional year as we build the GLA Mayor budget on a very different basis. Also, as through the work of the [London] Recovery Board, we take an increasingly pan-London view on the state of London and what needs to happen. It is not going to be the case that our reporting approach just stays fixed.

Our dashboards, I think, do an exceptional job in presenting a view of what the unit is up to on a single page. What they do not do is present a view of activity in a particular area. If you take health in all policies, you do not get a view of that; you get a view of what the Health Team is doing and what the Regeneration Team is doing and dot, dot, dot. There is definitely room for taking learning on the improvements we have made and taking that forward significantly. The question at the moment is going to be about the timeframes and ability to do that when there is so much else on our plate.

Tony Devenish AM: I will leave it there, Chair. Thank you.

Mary Harpley (Chief Officer): Could I just add to that? In the covering note that I sent across to the Assembly with the Q1 suite of information, I did say that we do want to take the reporting further. I said, "Please don't expect any further changes in the Q2 dashboards", because, as David has just said, in parallel we are preparing the draft budget. If we are building the budget around the missions for recovery, as we have said, we absolutely then have to rethink the monitoring of the delivery of that budget in the same way. As we get through to Q3 and then Q4, I think you can expect to see a shift in the way that we monitor what is a different approach to our budget. We will have to change our monitoring there and we will do everything we can to keep that as transparent as you would expect.

Susan Hall AM (Chairman): Thank you very much. I would just say that now, given that we have got reducing finances, it is more important than ever that scrutiny is ever-present when we are looking at these funding models.

OK, we are now coming to the GLA monitoring report for Q1 and my colleague, Assembly Member Alison Moore is going to take us through those.

Dr Alison Moore AM: Thank you very much, Chair. The first question really is back to staffing again, staffing cuts. MD 2666 agreed £3 million of in-year staffing savings for the GLA and mayoral budget. When I looked at the table, I noticed that while other departments were listed in that, there did not seem to be a target for the Mayor's Office, whereas other parts of the organisation, including the Assembly, are required to make

staffing savings. Why is the Mayor's Office not listed there? I am concerned about the message that that sends out.

David Bellamy (Mayor's Chief of Staff): Shall I deal with that?

Dr Alison Moore AM: To David Gallie, I think. That was the original intention.

David Bellamy (Mayor's Chief of Staff): It is a great one for me because I have responsibility for the Mayor's Office. I guess there are a couple of reasons for answering that. The first is to say that this was a target set by the Corporate Management Team in terms of what they viewed as deliverable. Of course, I am not a member of the Corporate Management Team, so I was not involved in doing that.

The second reason would be that obviously all directorates and indeed the Assembly would be significantly larger in staffing terms than the Mayor's Office.

The third point to make would be that, given the nature of where we are in terms of responding to a pandemic and all the impact this has on London and all the Mayor's priorities, this has been a busier time than ever in the Mayor's Office. We know from the staff survey carried out in late 2019 that the proportion of staff in the Mayor's Office, who are able to get their job done without doing material extra hours, is far, far lower in the Mayor's Office than any other directorate in the organisation. The pressure, I am afraid to say, has got worse with the pandemic and all that has gone with that.

Then of course the other point to make is that right now we have a consultation underway, which involves a significant number of posts in the Mayor's Office where the post holders are at risk of redundancy. While we are not part of that £3 million target, that does not mean that we have not been thinking very hard about any possible savings from the Mayor's Office, just as we need to across the organisation.

Dr Alison Moore AM: Thank you. That is helpful, but it does come back a little to the narrative within the report. In the Q1 report at the outset you say, "Read it alongside the narrative", the Mayoral Decision, but it is quite difficult switching back and forth to those. Thank you for that explanation.

Coming onto the £3 million staff saving for those directorates, with or without the Mayor's Office, 2.4 in the report talks about monitoring against progress. However, there is nothing within the report that talks about monitoring of progress against those £3 million staff savings. It seems to me would it not be reasonable to assume that some sort of monitoring would have been included in that report? Do you have any comments about why you were not putting that narrative in? I know we have discussed this quite a lot in the previous section, but because this is a very particular set of savings it might have been helpful to have some narrative and monitoring progress around that. That is to David Gallie.

David Gallie (Executive Director for Resources): As I think I said earlier, we are very vigilant around our spend in 2020/21, given the pressures upon us. There is not only the quarterly monitoring that you receive, but there is detailed monthly financial monitoring where the £3 million is very much in our focus. It has been a big discussion topic at our central Corporate Management Team where we are looking at those numbers. Clearly, it is early days in that the decision has only been made relatively recently, but it is obviously an area of vigilance and I am sure we can include some elements of that in the next quarterly report to you.

David Bellamy (Mayor's Chief of Staff): Just trying to be helpful. Is it not the case that the Q1 monitoring report is the position at the end of June, and MD 2666, which is the thing that made that decision about the £3 million, was only taken in July? Therefore, in terms of achievement against the target, there is nothing to report in the Q1 report because that decision had not been taken. What the Q1 report does is flag the savings requirement across directorates and, as it says at paragraph 2.4, it is going to be monitored closely and reported regularly. When we get to the end of the Q2 report, I think all of us have agreed that we will be expecting to see some stuff in there about progress.

Mary Harpley (Chief Officer): Yes, I think it is a question of timing, I would say, purely a question of timing on that report.

Dr Alison Moore AM: We will look forward to seeing that level of detail within the Q2 report, in terms of that monitoring.

Another thing that we would be looking forward to in Q2 - but actually in many ways it would have been helpful to see it in this report - is a commentary alongside. I made the comment that you say at the beginning of the report, "Read it alongside the Mayoral Decision", but actually there is virtually no commentary in the report.

For example, Housing and Land only spent £2.4 million or 4% of the full-year budget of £55.6 million. That clearly needed some narrative. Although we heard some of that earlier in the session, it would be really important to have that in the monitoring report. The Mayor's Office has gone in slightly the other direction and spent 29% of its full-year budget. Does a total directorate spend of 17% of its full-year spend constitute good progress or not?

As you said, it is a very challenging year when budgets are very, very tight. It would be really helpful to have that kind of narrative alongside the budget figures so that we can get that sense of where it is good value, where it is good progress, where we need to exert more challenge or where actually there are good, deep explanations of what those figures are. Does it make sense at the moment to not have that narrative within the report? Again to David Gallie.

David Gallie (Executive Director for Resources): I think it goes back to the wood and the trees, where the detail is there in the trees, and we are happy to add more description about the wood on those issues.

Dr Alison Moore AM: My answer to that would be "Absolutely". In this year when things are so fluid, it would be really very helpful to see that so that we can challenge and scrutinise in the way we should.

Why is there no forecast spend for the year against the revised budget? What message does the reader take away in terms of that progress on that basis? You have been very clear you were not putting forecasts in.

David Gallie (Executive Director for Resources): Q1 is very much an initial view and profiling becomes a big issue. As the year develops, you can get more confident about numbers and the profile and then make more sense around the variance analysis that we then produce.

David Bellamy (Mayor's Chief of Staff): Again, the revised budget was not set until MD 2666 --

David Gallie (Executive Director for Resources): True.

David Bellamy (Mayor's Chief of Staff): -- which was set in July [2020], after the quarter end, and that is why. The big picture is that in the last year or so I think we have made real progress in terms of our quarterly forecasting. We have further to go, but we were getting good at it and we were reporting it. In the dashboards, which obviously carry some detail that will not be in the finance reports so they do need to be read alongside each other, we are able to talk about the key variances. I feel that has been a helpful discipline and I felt we were getting better at our forecasting as a consequence of it. That is really welcome.

The fundamental problem we had at the end of Q1 was we were rebuilding the budget and it was not at that point appropriate to go and forecast against the budget that we were just in the process of changing. I would fully expect to see those forecasts back against the repurposed budget in the Q2 reports and I, as I always do, will be looking at them very closely.

Dr Alison Moore AM: As, I think, will the Committee, but thank you. That is a rational explanation. That is helpful and it might have been helpful to have that note within the Q1 report in that context.

In this report, following on swiftly from issues that have been raised in Q4, part of that decision around limiting that financial monitoring information is challenging. I think you have indicated, but is the GLA absolutely committed to transparency, moving from last year's Q4 into this year's Q1, and then of course going forward into the Q2 report, which, you rightly say, will reflect the recast budget? Are you committed to providing that level of transparency and information for Assembly Members and, indeed, any members of the public who wish to scrutinise as well, going forward? It feels to me that at a time when there are such challenges in the organisation and we will be going into an autumn and winter of further uncertainties, it is really important to have that transparency about how the Assembly and the Mayor's Office are making decisions about that spend, where they are putting that spend and where they are making any cuts.

David Bellamy (Mayor's Chief of Staff): Perhaps what I could just do is direct the Committee to the notes that Mary [Harpley] sent the Committee with the pack, which said, and I quote:

"The quarterly budget profiles you normally see in the dashboards are missing this time as the work to repurpose the budget has only just been completed. Quarterly budget profiles will be reinstated in the Q2 dashboards."

Mary Harpley (Chief Officer): The other thing I would say is, "Committed to transparency"? Absolutely. We have been on quite a journey with our performance monitoring reports and actually we have taken out quite a lot of the commentary that used to be in the financial report because it is in the dashboards now. We are very open to having conversations about making some of this material easier for Assembly Members. David and I can have that conversation if that is what Assembly Members want. As I said, we are developing them further, but let us have a conversation as we move to the next stage of development about where some of the detail sits, what detail you think is missing and how we can reinstate that in the best possible way. We are committed.

Dr Alison Moore AM: OK. Thank you very much and I will look forward to that. Certainly, with my experience with another hat on in a council setting, that narrative within the body of the report is always

helpful in terms of focusing minds on the detail and, in your case, is within the dashboard. Thank you very much. I will leave it there, Chair.

Susan Hall AM (Chairman): Thank you.

David Gallie (Executive Director for Resources): Alison, can I add? One of the things we talked about earlier was the pressures and challenges we would have in the work we are doing on the 2021/22 Budget. Yes, we will be as transparent as we possibly can be but there will be a whole set of work that will be changing the 2021/22 Budget, which will be a challenge around ensuring we can meet that requirement.

Dr Alison Moore AM: But transparency in all of that and our understanding and ability to scrutinise and challenge is important, as your critical friends in this process. Thank you very much, Chair.

Susan Hall AM (Chairman): The disappointment is that you keep saying “cannot see the wood for the trees”. You have said that a few times. It is so important that we are looking at these budgets now, which is why we have two budget rounds. Now is not the time to give us less information. I would have said it was the other situation; you should be giving us more information so we can help to look at it. After all, it is our job. We want to be able to do our job properly, and fishing around for things that would normally be there is not what we should be doing.

There is one thing. Given the variance between the directorates, where some seem to be underspending and others ahead of spending, are there any plans to repurpose any funds between the directorates during the course of this financial year to address any service pressures?

David Bellamy (Mayor’s Chief of Staff): In the normal quarterly process we have, it is about looking at where we are on each quarter, where the variances are and what the forecasts are. Where expenditure is planned but not yet committed, that is an option that is always open to the Mayor and that is why the quarterly process is so important. As we say, we were not able to do it at the end of Q1 because we were repurposing the budget and that was the process instead, which had the same purpose in terms of deciding where we would spend. At the end of Q2, when we look at that, we will be looking at where every directorate, every unit is against budget and we will be taking a view of whether the allocations are still appropriate. If they are not, we would recommend that the Mayor makes some changes.

Susan Hall AM (Chairman): That is exactly the question I asked you. As yet, do you know if you are going to be doing that?

David Bellamy (Mayor’s Chief of Staff): As I say, at the end of Q1, we could not. We were repurposing the budget but as per the budget guidance, between 25 working days and 35 working days from the end of the quarter, we will be looking at the draft reports and considering whether any action is needed. That is standard procedure that we have been doing for some time now.

Susan Hall AM (Chairman): I was just asking if you had any idea, Mr Bellamy, of anything that was to come, but you do not, so that is fine. We hope we do not see a whole load more going into the Mayor’s budget, but we will see. That is to come.

All right. We are now on to shared services. My colleague, Tony Devenish, is going to take us through these.

Tony Devenish AM: Thank you, Chair. I am delighted to be asking these questions. It is something I have done both in my professional career and on Westminster City Council. Before I ask the questions, David Bellamy, could I start by asking: do you consider this whole area as something you need to do far more work on and, dare I say, you need to get your Francis Maude [Lord Maude of Horsham, former Member of Parliament and Cabinet Officer Minister with responsibility for public service efficiency and reform] character in to look at this and grip it?

David Bellamy (Mayor's Chief of Staff): The GLA Group has a great number of shared services. Do I believe we can go further? Yes, I do. Do I believe there are huge opportunities for savings from merging teams around the Group? We will see as we look at it. As you know, we are going through a number of areas and, in some areas, there will be savings and changes worthwhile making but there are not going to be huge savings. The areas where there are opportunities for specific savings is less about the staffing; it is more about other areas of spend where we can get colleagues working together principally around our estates and around energy. In some cases, a long-term view there but they are the areas that are going to be most significant.

Tony Devenish AM: OK. I will come to my specifics, but I would urge you, David, this is something. The way we sold it to Westminster City Council, for example, this saves jobs. This allows the core businesses of the GLA to go on by cutting back office -- I will not use the word "waste", we are not *The Daily Mail*, but there are ways of challenging your teams that are in silos to work better, particularly across shared services.

On to my questions. Can you please set out clearly and concisely what new initiatives there have been on collaboration, shared services after the four years? What have they achieved in practical terms either operational or financial gains, please?

David Bellamy (Mayor's Chief of Staff): OK. Your point straddles your two questions. I dread to think that I might be City Hall's equivalent of Francis Maude. I established the Group Collaboration Board. Given the situation we find ourselves in, it is now consisting of either Chief Officers or, for the larger organisations, their right-hand people. It is meeting monthly and we are pushing to make progress on this as soon as we can.

This term, we have already delivered very significant savings through collaborative procurement and extended our work further there. There are improvements around treasury management. As I touched on earlier, we delivered very significant savings there. We have set that up into a structure in which not just the GLA Group, but also this is an important wider point because it is not just the GLA Group that has financial challenges but the boroughs, too. We have set that up in a way in which boroughs can join aspects of our tertiary management system. David [Gallie] and his team are having discussions with a number of boroughs on that front. There has been a lot there that has happened.

In terms of things that are happening, we have looked at back office areas. There is a level of joint work already in terms of HR and information technology (IT). We are seeking to push that further, particularly between the GLA and TfL, things which Mary [Harpley] is leading. She can say more about that if colleagues are interested.

We are looking across a range of areas. We have published our plans which we are getting underway around purchase power agreements in order that we can get green energy at a set price and hedge ourselves against the very significant expected rises in electricity and move to a situation where we are creating new sources of

green energy for, principally, TfL as by far the largest consumer of electricity but also so the Group can benefit on that. That is very much work underway.

When I speak to colleagues, they will be very familiar working on our accommodation strategy which, in the long-term, has the ability to create some very significant savings.

Tony Devenish AM: Maybe I can cut you off there. You could write to me on the next couple of points, please. Can you confirm the membership of both the Estates and Facilities Management Working Group and the Group Collaboration Board to which you referred in your letter of 12 August, please? A letter is fine. Can you detail the role, if any, if either of these bodies have had an encouraging blue-light collaboration between the Metropolitan Police Service (MPS), the London Fire Brigade and the London Ambulance Service (LAS) and both the MPS and the London Fire Brigade stressed the progress made in this area during their meetings last week but it was somewhat light on specifics? It would be great if you could write to me on that as well, write to the Committee on that, please, and how it is being tracked corporately. Sorry, I am rushing through. I have more questions.

In the current COVID-19 world, organisations are doing a lot of things very differently and often for the first time. Are there any experiences of operating during these challenging times which have helped inform and improve inter-body working across the GLA? Again, I will let you write to me on that if I could.

Coming to my next question, why did the Estates and Facilities Management Working Group only begin two years with modest aims - in their words, building relationships - and why does it appear that it has achieved so little in the last two years?

Finally, and I will shut up and let you answer the question, what role did the working group play in the proposed move to The Crystal?

David Bellamy (Mayor's Chief of Staff): The working groups were set up when we formed the Group Collaboration Board. I formed that Board, and it is fair to say, a lot of time and focus in the first couple of years I was here was on collaborative procurement, getting that run in. We recognised the potential for very significant savings there. That is where the focus was.

We then sought to broaden that out for all the reasons the Assembly Member sets out and is well aware of, and Estates and Facilities Management was one of the groups. It is definitely clear from those initial discussions that, historically, those areas of the Group have been quite separate from each other. We did make a change within Housing and Land where the Estates Management function as relates to our landholdings and GLA matter, that moved across to TfL into their service. We have made one piece of progress but, in general, it is fair to say that there was not that commonality.

Tony Devenish AM: OK. I will repeat my point that one team is the way you drive savings and culture change.

My next question, I have to say, David, of all the things I have dealt with in the last 12 months, across party, we have all been shocked at the failure to properly investigate the purchase of Union Street freehold from early 2019. Do you agree this has been a missed opportunity in terms of the management as an estate and how are you going to do better going forward, please?

David Bellamy (Mayor's Chief of Staff): The question to ask is if you are the owner of a building and you plan to sell it and you want to get as much money as possible, you then set a marketing strategy and approach to deliver that. We know that the then owner of Union Street chose to not approach the Fire Brigade, and your question is "Why not?" The answer is quite clear. The value of the site would be significantly more than the existing building being removed and redeveloped, presumably as a residential tower of some description. Therefore, they have gone to market looking for people to do that, knowing that our purposes for it, as an office building, have the same value that we would be able to pay in. That is why the situation developed as it did.

To the wider point though, if we had have bought it, in the longer term, that may have been a bad decision because it comes back to the point about the amount of office space we have. If there is something we have learned in the last six or seven months, it is that across the Group we do not need as much office space as we had because - as has been demonstrated during this very meeting - not all of the time, but some of the time, different colleagues, based on their personal circumstances, can perfectly well work from home.

Tony Devenish AM: OK. I will pass on that for now but I think you and Mary [Harpley] are going to learn from what was not the best example of public procurement I have ever seen, and that is the understatement of the century.

David Bellamy (Mayor's Chief of Staff): I totally disagree with that, and I do not understand what it is to do with Mary because it is the London Fire Brigade's building.

Tony Devenish AM: I was referring to the wider points. On the proposed GLA/TfL HR shared service, can we please have some clarity in terms of when the project first started, what level of GLA and TfL staff and resources have gone into it and how much has been spent on the initial feasibility study by Deloitte? As we are short of time, you can write to me on that, please.

What elements of the current GLA HR service do you think would improve through possible sharing of this function with TfL, if it proves a feasible option? Again, please write to me.

My final two questions. In the light of the level of resource dedicated to the GLA/TfL HR shared service project, what has been achieved so far? Could you briefly answer that? Then I will ask you what more we know about what might be possible and when, and what benefits might arise. Obviously, you can write to me on that.

Mary Harpley (Chief Officer): Sorry, Assembly Member Devenish, was that a question related to the HR project particularly?

Tony Devenish AM: Sorry. In the light of the level of resource dedicated to the GLA/TfL HR shared service project, just very quickly, Mary, what has been achieved so far? Then I suggested you write to me on what more we know about what may be possible and when, and what benefits might arise. Because we are time limited, can you very quickly give me a summary of where we are? What have we achieved?

Mary Harpley (Chief Officer): We are getting very close now to having a full description of the case for sharing HR services with TfL. There is some complexity to that question, not least around which systems we

use and how we move at the GLA from a quite paper-based set-up, where there is not very much self-service and a lot of hands on help from HR professionals, to a more modern model. All that thinking has now been done. We are at the point where there are some detailed conversations and detailed workshops between TfL and GLA staff so we can finalise the detail of what this service looks like if provided back to us by TfL. That is where we are.

Once we have concluded that, the next step will be for me to come back to [GLA] Oversight Committee with more detailed proposals, and shortly thereafter, for us to start consulting staff on the proposal.

Tony Devenish AM: I leave it there apart from to say again, could you please write to us and give us some timescales? We have a series of meetings now in our various committees and it would be nice to have more detail. Thank you very much, Chair.

Susan Hall AM (Chairman): OK. The Group Collaboration Board sounds very interesting. Do you publish agenda and minutes?

David Bellamy (Mayor's Chief of Staff): Not at the moment. I have been giving it some thought. The question is how to get the right transparency arrangements, and reflecting on comments the Committee have had this morning which I agree with, necessarily, some of the things we are considering are very sensitive either in terms of their impact on staff employment around the Group or in terms of some of our relationships with suppliers. At the moment, I am a bit concerned that if we publish minutes, we would just be publishing a load of redactions, which would not be very helpful. The question I am asking myself is whether there would be some alternative in terms of periodic private briefing, which I know we have already offered in terms of the estates accommodation strategy, when we get to that point, whether something like that with a written or verbal might be a better approach.

Susan Hall AM (Chairman): Yes. I will say that on shared services and collaboration, as you know, I have been looking at the Fire Brigade and police for many years and in my view, there is a fortune to be saved there with no impact to Londoners. I think we need to move on that. Certainly, I would prefer published agendas and minutes so the public can see it and it helps with transparency, but I do understand your concerns on that. Private briefings would be helpful, but we cannot go on year after year saying -- and we all agree it would be a good thing, and nothing ever happens. I look forward to more transparency on that and hopefully some action, which would be good.

OK. Thank you very much. I would like to thank all our guests for attending today and for their answers to our questions.

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Subject: Summary List of Actions	
Report to: Budget and Performance Committee	
Report of: Executive Director of Secretariat	Date: 22 October 2020
This report will be considered in public	

1. Summary

- 1.1 This report sets out details of actions arising from previous meetings of the Budget and Performance Committee. The report also sets out details of actions arising from a meeting of the Budget Monitoring Sub-Committee, noting that the Sub-Committee was not re-established by the London Assembly at its Annual Meeting on 15 May 2020.

2. Recommendations

- 2.1 **That the Committee notes the ongoing actions arising from previous meetings of the Committee.**
- 2.2 **That the Committee notes the ongoing action arising from a previous meeting of the Budget Monitoring Sub-Committee.**

3. Actions Arising from Meetings of the Budget and Performance Committee

Actions arising from the Committee meeting on 29 September 2020

Agenda Item	Topic	Status	For action by
4.	<p>The 2020-21 Budget Review – GLA Core</p> <p>The Committee requested the following additional information:</p> <ul style="list-style-type: none"> An update on any grant funding being moved between housing schemes; Further details on savings from the 24-hour London programme which have since been reallocated through the Recovery Fund, and further details on any new areas of work which have received funding from the Recovery Fund; 	Ongoing. The Chairman wrote to guests on 13 October 2020.	Mayor's Chief of Staff

Agenda Item	Topic	Status	For action by
	<ul style="list-style-type: none"> • An update on the Mayor’s commitment to plant 2 million trees in his first term; • Further details of the 71 projects and programmes set out in MD 2666 which had seen reductions in funding; • That the Committee and party Group Lead Members be kept updated on future budgetary challenges with respect to redundancies; • Confirmation that future GLA workforce reports will include the number of staff within each pay bracket per directorate; • An organogram of the Housing and Land department, including which posts are externally funded and which from discretionary funds; • An organogram of the Chief Officer’s department; • Confirmation of when London & Partners will produce its business plan and for that to be shared with the Committee as soon as it is available; • Clarification of whether the Chief Officer’s remuneration was, or should have been, included in the GLA’s statement of accounts and whether it will be in future years; • To confirm the membership of the Estates and Facilities Management Working Group (EFMWG) and the Group Collaboration Board (GCB) referred to in the Chief of Staff’s letter of 12 August; • To provide details of any work the EFMWG or the GCB has undertaken in encouraging blue-light collaboration between the Metropolitan Police Service, the London Fire Commissioner and the London Ambulance Service, and to provide details of any other work the GLA is undertaking to encourage and track such collaboration; 		

Agenda Item	Topic	Status	For action by
	<ul style="list-style-type: none"> • To provide details of any lessons learnt from the COVID-19 response and recovery work which could be used to inform and further collaborative working across the GLA Group and respective partners; • Confirmation of when the proposed GLA-Transport for London (TfL) Human Resources (HR) shared service arrangement first started, the amount of GLA and TfL staff and resources which have gone into the project to date and the level of spend on the initial feasibility study by Deloitte; and • Which additional benefits are expected to be delivered from the GLA-TfL HR shared service arrangement and anticipated timescales for delivering the project. <p>The Committee agreed that authority be delegated to the Chairman, in consultation with party Group Lead Members and Caroline Pidgeon MBE AM, to agree any output from the meeting.</p>	Ongoing.	Senior Policy Adviser

Actions arising from the Committee meeting on 22 September 2020

Agenda Item	Topic	Status	For action by
5.	<p>The 2020-21 Budget Review – Police and Fire</p> <p>The Chief of Corporate Services, Metropolitan Police Service (MPS) agreed to provide the following:</p> <ul style="list-style-type: none"> • Details of any transcription services used by the MPS; • A top-line list of income generation by the MPS for the current year and 2019/20; and • Details of current grant or commissioning funding from Transport for London (TfL) and from local government for policing services provided. 	Ongoing. The Chairman wrote to guests on 6 October 2020.	Chief of Corporate Services, MPS

Agenda Item	Topic	Status	For action by
	<p>The Deputy Mayor for Policing and Crime agreed to provide examples of collaboration between the emergency services and the savings that have been delivered.</p> <p>The Committee requested the following additional information from the London Fire Commissioner:</p> <ul style="list-style-type: none"> • Details of any contractual arrangements in place for training fire safety inspection officers to ensure newly trained staff are retained within the Brigade; • The progress that has been made against transformation plan in percentage terms along with any other relevant updates on delivering the plan; • A top-line list of income generated by the Brigade in this year and 2019/20; • An update on the fleet replacement project in terms of finances and timescales; • An update on efforts to contribute to the Mayor’s Homes for London programme; and • A breakdown of the £2 million Grenfell legal fee. <p>The Committee agreed that authority be delegated to the Chairman, in consultation with party Group Lead Members and Caroline Pidgeon MBE AM, to agree any output from the meeting.</p>	<p>Ongoing. The Chairman wrote to guests on 6 October 2020.</p> <p>Ongoing. The Chairman wrote to guests on 6 October 2020.</p> <p>Ongoing.</p>	<p>Deputy Mayor for Policing and Crime</p> <p>London Fire Commissioner</p> <p>Senior Policy Adviser</p>

4. Actions Arising from Meetings of the Budget Monitoring Sub-Committee

Action arising from the meeting of 20 March 2019

Agenda Item	Topic	Status	For action by
11.	Any Other Business the Chairman Considers Urgent During the course of the discussion, the Divisional Finance and Procurement Director, Surface Transport, TfL, offered for TfL to provide a briefing to Assembly Members on the long-term brand partnership proposals with Tottenham Hotspur Football Club.	Ongoing. Officers followed up this action on 13 October 2020.	Divisional Finance and Procurement Director, Surface Transport, TfL

5. Legal Implications

5.1 The Committee has the power to do what is recommended in this report.

6. Financial Implications

6.1 There are no financial implications to the GLA arising from this report.

List of appendices to this report:

None

Local Government (Access to Information) Act 1985

List of Background Papers: None

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Subject: The 2020-21 GLA Group Budget Review

Report to: Budget and Performance Committee

Report of: Executive Director of Secretariat

Date: 22 October 2020

This report will be considered in public

1. Summary

- 1.1 This report sets out background information in relation to Budget and Performance Committee questions to the Mayor of London and senior Greater London Authority (GLA) officers about anticipated changes to spending plans following the COVID-19 pandemic.

2. Recommendations

- 2.1 **That the Committee notes the report as background to putting questions to invited guests on the 2020-21 Budget Review and notes the discussion.**
- 2.2 **That the Committee delegates authority to the Chairman, in consultation with party Group Lead Members and Caroline Pidgeon MBE AM, to agree any output from the meeting.**

3. Background

- 3.1 The Mayor's Final Budget for 2020-21 was published in March 2020. Since then the COVID-19 pandemic has resulted in the largest economic crisis to face London since the Second World War. Business rates and council tax income are both predicted to fall significantly as a result of the wider economic contraction. This is the money used to pay for vital services in London, including transport.
- 3.2 The Mayor is anticipating losing £493 million of business rates and council tax income in 2020-21 and 2021-22, which would require significant cuts to the budgets of all Mayoral bodies. In June the Mayor asked the Greater London Authority (GLA) and its functional bodies to immediately repurpose their agreed 2020-21 Budget, to deliver in-year savings and efficiencies leading to a fundamental realignment of the GLA Group's activity to support London's recovery from the impact of COVID-19.

4. Issues for Consideration

- 4.1 The following guests have been invited to attend the meeting to discuss the 2020-21 GLA Group Budget:
- Sadiq Khan, Mayor of London;
 - David Bellamy, Mayor's Chief of Staff, GLA; and
 - David Gallie, Executive Director of Resources, GLA.

5. Legal Implications

- 5.1 The Committee has the power to do what is recommended in this report.

6. Financial Implications

- 6.1 There are no direct financial implications of this report.

List of appendices to this report: None

Local Government (Access to Information) Act 1985
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List of Background Papers: None

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Subject: Budget and Performance Committee Work Programme

Report to: Budget and Performance Committee

Report of: Executive Director of Secretariat

Date: 22 October 2020

This report will be considered in public

1. Summary

1.1 This report sets out the Budget and Performance Committee timetable for the remainder of 2020.

2. Recommendation

2.1 **That the Committee notes its work programme for the remainder of 2020.**

3. Background

3.1 The Committee receives a report monitoring the progress of its work programme at each meeting.

4 Issues for Consideration

4.1 The Mayor's Final Budget for 2020-21 was published in March 2020. Since then the COVID-19 pandemic has resulted in the largest economic crisis to face London since the Second World War. Business rates and council tax income are both predicted to fall significantly as a result of the wider economic contraction.

4.2 During 2020-21 the Committee will scrutinise the changes to the Mayor's 2020-21 budget from the impact of the COVID-19 pandemic as well as proposals for the 2021-22 Budget for the Greater London Authority (GLA) Group on behalf of the London Assembly, as well as examine specific budget and performance issues across the GLA Group.

Schedule of Meetings

4.3 The Committee's meetings for September to December 2020 were agreed under delegated authority by the Chair of the GLA Oversight Committee on 20 July 2020. Some of the meeting dates have been amended in order to accommodate guests' availability, as agreed by the Chairman and party Group Lead Members. The schedule for the Budget and Performance Committee meetings is set out below:

Date	Topic
Tuesday 24 November 2020	2021-22 Budget Scrutiny
Tuesday 8 December 2020	2021-22 Budget Scrutiny
Thursday 10 December 2020	2021-22 Budget Scrutiny

5 Legal Implications

5.1 The Committee has the power to do what is recommended in this report.

6 Financial Implications

6.1 There are no direct financial implications to the GLA arising from this report.

List of appendices to this report: None

Local Government (Access to Information) Act 1985

List of Background Papers: None

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