

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD3274

### Title: Updates to GLA Governance Documents

#### Executive summary:

The following GLA's key governance documents have recently been refreshed:

- i. the Mayoral Decision-Making in the GLA document, which sets out the arrangements through which the Mayor exercises and, where appropriate, delegates their powers
- ii. the Financial Regulations, which ensure we safeguard and properly account for public money and spend it economically, efficiently and effectively. The Regulations also provide a framework for setting and monitoring budgets, and for financial controls and administration.

This Decision Form highlights the main proposed changes and appends the proposed revised documents. They will also be shared with the London Assembly for information.

Other key governance documents are also being reviewed and will come forward as required in due course.

#### Decision:

That the Mayor approves:

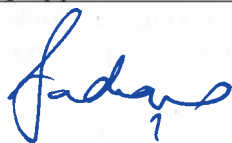
- i. the revised Mayoral Decision-Making in the GLA document (Appendix A)
- ii. the revised GLA Financial Regulations (Appendix B)
- iii. that the Directors of Arms-Length GLA subsidiaries (London Treasury Ltd (LTL), GLIF Limited and LTLF GP Limited) are authorised to amend their respective companies' articles of association to reflect the updated thresholds for approval of borrowing and property transactions for reserved matters specified within section 15 of the Mayoral Decision-Making document.

#### Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

12/6/24

## PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

### Decision required – supporting report

#### 1. Introduction and background

- 1.1. As part of its commitment to high standards of governance and transparency, each of the GLA's core governance documents are subject to regular review. Two of these – Mayoral Decision-Making in the GLA, and the Financial Regulations have recently been reviewed. They were last approved in April 2022 through MD2830.
- 1.2. The table below sets out the purpose of each document and the main changes proposed. The full versions are appended to this form.

TITLE AND PURPOSE	MAIN CHANGES
<i>Mayoral Decision-Making in the GLA</i>  Sets down the framework within which the Mayor's powers are reserved and delegated – and decisions are taken and recorded  Appendix A	<ul style="list-style-type: none"><li>• Expanded section on key role of the Mayoral Delivery Board, which has replaced the Corporate Investment Board</li><li>• New section outlining requirements of Portfolio Management Framework</li><li>• Upgrading financial thresholds for decision making in line with inflation and/or Chief Finance Officer guidance since last reviewed in 2014</li><li>• Omission of detail on the separate rules regarding Affordable Homes Programme and Land Investment programmes, which will now be contained within the relevant Mayoral Decisions approving activity in this area</li><li>• Incorporating changes approved by other Mayoral Decisions relating to assessment of housing stock transfer applications; and on the delegation of powers to Homes England in respect of assistance to housing and regeneration schemes</li><li>• Updating the section on GLA Companies to reflect SME Wholesale Finance becoming a managed GLA company, and updating the section that relates to London Treasury Ltd</li><li>• Factual changes including post titles, list of Senior Members of Staff, updating factual details of GLA companies.</li></ul>
<i>Financial Regulations</i>  Regulations guiding how the GLA manages its financial affairs; and more specifically how it sets and monitors budgets, exercises financial controls and undertakes financial administration  Appendix B	<ul style="list-style-type: none"><li>• Updates to sections 6-8 to reflect revised budgetary procedures</li><li>• Updated section 15 on Treasury Management strategy requirements</li><li>• Updated references to new Portfolio Management Framework</li><li>• Updates to job titles and other factual references</li></ul>

- 1.3. Following the Mayor's approval, the revised documents will be shared with the London Assembly for information. All staff will be notified through internal communications when the revised documents are published, and more detailed guidance and support is provided by teams in the GLA, principally Performance & Governance and Financial Services.

- 1.4. Other governance documents are in the process of being reviewed and consequential amendments made, most significantly to the Contracts and Funding Code ('the Code'). A review of the Code is in progress due to changes that may be necessary as a result of the Procurement Act 2023 and associated regulations coming into force.
- 1.5. Section 15 of Mayoral Decision-Making in the GLA summarises where a number of Mayoral and GLA consents are required under the Articles of Association of arm's length companies (London Treasury Limited, LTLF GP Limited and GLIF Limited). These include requirements for borrowing and property transactions to be approved by the Mayor (over £150,000), and for GLA officers (below that level). In line with the uprating of financial thresholds referred to in the table above, it is proposed that this figure also be changed to £250,000. The Articles of Association include the £150,000 figure and, as amendments to them are a matter requiring Mayoral approval, it is proposed that the Mayor also approves that the relevant GLA Directors are authorised to amend the respective Articles at the same time.

## 2. Objectives and expected outcomes

- 2.1. Through updating these documents, the objective is to continue to provide strong governance arrangements that enable the GLA to conduct its business in accordance with the law and high standards of governance; to safeguard and properly account for public money, spending it economically, efficiently and effectively.

## 3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010, the Mayor and the GLA are subject to the public-sector equality duty (PSED) when exercising their functions, including when taking decisions. The PSED requires the GLA and the Mayor, in the exercise of all of their functions, to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Equality Act 2010; advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and foster good relations between people who share a relevant protected characteristic and those who do not. The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), race (ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, and sexual orientation.
- 3.2. The documents that are the subject of this decision ensure that the GLA takes decisions and manages its resources with probity and value for money and therefore assists the GLA in delivering for all Londoners. No specific adverse impacts for any groups sharing a protected characteristic have been identified.
- 3.3. Mayoral Decision-Making in the GLA encompasses a formal decision-making process that ensures the consideration of equality implications is built into the process.

## 4. Other considerations

### *Risks and issues*

Risk	Mitigation	RAG rating
Governance documents become out of date/unfit for purpose	Built-in review dates and tracking of these by senior officers	Green

Governance documents are not understood or adhered to	Communications to remind managers and staff of importance  Financial Services and Performance & Governance Teams review all Decision Forms	Green
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#### *Link to Mayoral strategies and priorities*

- 4.1. Robust corporate governance arrangements, including as set out in each of these documents, support the full breadth of the Mayor's priorities as well as the efficient and effective use of public money and the GLA's commitment to openness and transparency.

#### *Conflicts of interest*

- 4.2. There are no conflicts of interest to note from any officer involved in the drafting or clearance of this Decision Form.

### **5. Financial comments**

- 5.1. The documents refreshed and included here for approval form a framework for ensuring probity and value for money in the conduct of the GLA's day to day business. It is essential that they are reviewed periodically and updated to reflect changes in the operating environment. Whilst there are no direct costs arising from the approval of these documents, they will have a wide-reaching impact on budgetary management across the organisation.

### **6. Legal comments**

- 6.1. In line with a range of applicable statutory requirements and good practice, the GLA's governance arrangements are designed to ensure it:
- conducts business in accordance with the law and high standards of governance
  - safeguards and properly accounts for public money and spends it economically, efficiently and effectively
  - sets clear expectations for the Mayor, Assembly Members and GLA staff – and in particular, that their conduct upholds the seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
- 6.2. Where the documents mentioned in this form confer the ability to take decisions on specific post holders (e.g. the Statutory Deputy Mayor, the 11+2, and other GLA Staff) that involve the exercise of Mayoral powers, they are authorised to do so under sections 38(1) and 380 of the Greater London Authority Act 1999 (GLA Act) and any other specific statutory power enabling them to do so.
- 6.3. The approval of the revised Mayoral Decision-Making in the GLA document (Appendix A) is a Mayoral decision as its contents involve the delegation of functions of the GLA exercisable by the Mayor by (as relevant) GLA staff and the Statutory Deputy Mayor under sections 38(1) and 380(1) of the GLA Act and any other relevant statutory provisions.
- 6.4. The approval of the revised GLA Financial Regulations (Appendix B) is a function of the GLA that is exercisable by the Mayor under section 35(2) and (3) of the GLA Act, on the basis that the exercise of the relevant statutory powers they involve has not by legislation been made to be one exercisable by the Assembly (alone) or by it and the Mayor acting jointly.

## 7. Planned delivery approach and next steps

Activity	Timeline
Publication of new documents and related internal comms	June 2024
Assembly informed of changes to all documents	June 2024
Planned review	June 2026 latest

### Appendices and supporting papers:

Appendix A – Proposed new version of Mayoral Decision-Making in the GLA

Appendix B – Proposed new version of Financial Regulations

### Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

### Part 1 - Deferral

**Is the publication of Part 1 of this approval to be deferred? NO**

### Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

### ORIGINATING OFFICER DECLARATION:

Drafting officer to  
confirm the  
following (✓)

#### Drafting officer:

Andrew Nathan has drafted this report in accordance with GLA procedures and confirms the following:

✓

#### Sponsoring Director:

Enver Enver has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

#### Mayoral Adviser:

David Bellamy has been consulted about the proposal and agrees the recommendations.

✓

#### Advice:

The Finance and Legal teams have commented on this proposal.

✓

#### Mayoral Delivery Board

This decision was agreed by the Mayoral Delivery Board on 10 June 2024

✓

### INTERIM CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

**Signature:**



**Date:**

10/06/2024

### CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

**Signature:**



**Date:**

10/06/2024