

# SUPPLEMENTARY AGENDA

**Meeting** GLA Oversight Committee  
**Date** Tuesday 3 September 2019  
**Time** 3.30 pm  
**Place** Committee Room 5, City Hall, The  
Queen's Walk, London, SE1 2AA

Copies of all the reports available for this meeting and any attachments may be found at  
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Ed Williams, Executive Director of Secretariat  
23 August 2019

## **Agenda** **GLA Oversight Committee** **Tuesday 3 September 2019**

### **a Changes to the GLA Establishment – the Building Safety Team** (Pages 1 - 8)

Report of the Chief Officer  
Contact: James Clark, [james.clark@london.gov.uk](mailto:james.clark@london.gov.uk), 020 7983 4966

**That the Committee responds to the Chief Officer's consultation on the creation of seven permanent posts in a Building Safety Team.**

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# Subject: Changes to the GLA Establishment – the Building Safety Team

**Report to: GLA Oversight Committee**

**Report of: Chief Officer**

**Date: 3 September 2019**

**This report will be considered in public**

## 1. Summary

- 1.1 The aluminium composite material (ACM) cladding on the external walls of Grenfell Tower has been identified as one of the significant contributing factors in the rapid fire spread during the tragedy on 14 June 2017. Since then positive progress to replace this unsafe cladding has been made in the social housing sector, supported by the Greater London Authority's (GLA) administration in London of the Social Sector Cladding Remediation Fund (SSCRF), authorised by MD2346. However, progress in the replacement of this cladding in the private sector has been very slow.
- 1.2 On 9 May 2019 the Government announced the launch of a new Private Sector Cladding Remediation Fund (PSCRF) which will fully fund the replacement of unsafe ACM cladding on high-rise private residential buildings where building owners have failed to do so. The government has appointed the GLA as the London administrator of this fund, authorised in MD2490.
- 1.3 This paper sets out proposals to create a new Building Safety Team within the Housing Unit of the Housing & Land Directorate. The Team will be responsible for administering the PSCRF in line with MD2490.
- 1.4 Under the terms of this arrangement, the running costs of the Building Safety Team will be covered in full by the Government. This was laid out in MD2490 as highly likely but has been confirmed since by Government. The proposals are therefore fully funded and will involve no budget growth for the GLA.

## 2. Recommendation

- 2.1 **That the Committee responds to the Chief Officer's consultation on the creation of seven permanent posts in a Building Safety Team.**

## 3. Background

- 3.1 The cladding on the external walls of Grenfell Tower has been identified as one of the significant contributing factors in the rapid fire spread during the tragedy on 14 June 2017. The Government undertook a testing programme to identify other high-rise buildings in unsafe aluminium composite

material (ACM) cladding systems. Following identification of this cladding, building owners were expected to notify the Ministry of Housing, Communities and Local Government (MHCLG), put interim fire safety measures in place, and begin the process of remediation.

- 3.2 Since then positive progress to remediate such cladding has been made in the social housing sector, supported by the GLA's administration of the Social Sector Cladding Remediation Fund (SSCRF), authorised by MD2346. However, progress in the private sector has been very slow. On 9 May 2019 the Government announced it would fully fund the replacement of unsafe ACM cladding on high-rise private residential buildings where building owners have failed to do so. The GLA's administration of the Private Sector Cladding Remediation Fund (PSCRF) was authorised in MD2490.
- 3.3 The PSCRF has two objectives. The first is to speed up the pace of remediation of high-rise private sector residential buildings with unsafe ACM cladding, so that people can be safe and feel safe in their own homes. The second objective is to reduce potential costs that fall to individual leaseholders.

## **4. Reasons for change**

- 4.1 The PSCRF is a large and administratively complex programme and its delivery in London is urgent. The GLA needs to ensure that it has adequate staffing, external professional advice, and grant management systems in place to ensure it can administer the PSCRF quickly and correctly. First funding applications are expected to be received in September.
- 4.2 The SSCRf is administered by the GLA using existing staffing resources in the Housing & Land Directorate. The administration of the PSCRF will be more resource-intensive and will require dedicated resourcing for the following reasons:
- The GLA does not have established relationships with private responsible entities (building owners) and they will be unfamiliar with GLA processes and systems;
  - Private responsible entities may not have the capacity or expertise to manage a GLA grant allocation. They may also be reluctant to engage with the fund since the responsible entity does not benefit – the fund simply means they pass charges onto the Government rather than the individual leaseholders;
  - To mitigate the lack of incentive to engage with the fund, the GLA will need to work closely with building owners to encourage them to apply, and with London boroughs who possess enforcement powers;
  - Scrutiny of applicant's eligibility and compliance will be intensive. As such, the GLA will need access to technical expertise to scrutinise how building owners intend to remediate affected buildings;
  - The compliance audit process is likely to be more challenging at completion, given that the GLA is not likely to have an ongoing relationship with responsible entities;
  - A key challenge will be enforcing the requirement that responsible entities pursue cost recovery through legal action; and
  - Individuals are only entitled to receive €200,000 state funding over three rolling years before becoming subject to state aid rules. Leaseholders who own multiple properties in eligible

buildings may be at risk of receiving funding in excess of this. The Team will need to undertake due diligence aimed at minimizing this risk.

4.3 As well as its administrative complexity, management of the PSCRF also involves oversight of large budgets on behalf of MHCLG. Current estimates for these include:

- £160 million capital funding for the PSCRF;
- £1.9 million revenue funding for technical advice;
- £650,000 revenue funding for legal advice; and
- £200,000 revenue funding for systems development work.

4.4 Administration of the PSCRF is a new function that was not anticipated in either the GLA budget, the Housing & Land business plan or the London Housing Strategy. It therefore requires additional staffing resource to ensure it is delivered.

4.5 Officers estimate that the GLA's involvement in delivery of the PSCRF will last approximately five years.

## **5. Proposals**

5.1 The proposal is to create a new Building Safety team within the Housing Unit of the Housing & Land directorate. This team would be responsible for managing the PSCRF and would also take on management of the SSCRF. By virtue of fulfilling these functions, the team would also become a centre of knowledge and expertise within the GLA for building safety issues in residential buildings.

5.2 The Building Safety team would consist of the following posts:

- 1 FTE Senior Programme Manager (G12)
- 1 FTE Contracting and Compliance Manager (G10)
- 3 FTE Senior Programme Officers (G9)
- 2 FTE Programme Officers (G7)

5.3 A summary of the requirements of each post are set out overleaf:

<b>Job title (grade)</b>	<b>Description of responsibilities</b>
1 x Senior Programme Manager  Grade 12 permanent  (New permanent role)	Establish the programme; develop and maintain appropriate processes and systems; manage the relationship with the Government, Homes England, local authorities, and other stakeholders; make recommendations to MHCLG for funding; and provide leadership and line management of the team.
1 x Contracting and Compliance Manager  Grade 10 permanent  (New permanent role)	Oversee contracting with responsible entities and compliance checks and to commission legal and technical consultancy as required to support this.
3 x Senior Programme Officers  Grade 9 permanent  (New permanent roles)	Lead on day to day administration of the fund, including: building relationships with responsible entities, councils and London Fire Bridge (LFB); collating information to support payment claims; and maintaining oversight of compliance with programme criteria for individual applications.
2 x Programme Officers  Grade 7 permanent  (New permanent roles)	Provide support to the Senior Programme Manager, Contract and Compliance Manager and Senior Programme Officers; preparing performance reports and monitoring information and supporting communications about the fund within and beyond the GLA.

- 5.4 The Contracting and Compliance Manager and the Senior Programme Officers would report to the Senior Programme Manager. The Programme Officers would report to the Contracting and Compliance Manager.
- 5.5 The Senior Programme Manager would report to the Head of Housing Strategy on an interim basis. This arrangement will be reviewed in December 2019.

## **6. Consultation**

- 6.1 In accordance with the GLA Head of Paid Service Staffing Protocol and Scheme of Delegation (the "Staffing Protocol"), formal consultation with the Chief of Staff (on behalf of the Mayor) and the Assembly's staffing committee, currently the GLA Oversight Committee (on behalf of the Assembly) is required for this proposal as five or more posts within one unit are being created or deleted. The Assembly has delegated its powers of consultation on staffing matters to the GLA Oversight Committee.

6.2 This paper represents the Head of Paid Service's consultation with the Assembly (via the Assembly's staffing committee, the GLA Oversight Committee) on these staffing proposals. The Chief of Staff (on behalf of the Mayor) is also being consulted. The Head of Paid Service (the "HoPS") will take their views into consideration when making the decision.

## **7. Legal Implications**

5.1 Under the Greater London Authority Act 1999 (as amended), the HoPS may, after consultation with the Mayor and the Assembly and having regard to the resources available and priorities of the Authority:

- appoint such staff as the HoPS considers necessary for the proper discharge of the functions of the Authority (section 67(2)); and
- make such appointments on such terms and conditions as the HoPS thinks fit (section 70(2)).

5.2 The Assembly has delegated its powers of consultation on staffing matters to the Assembly's staffing committee, currently the GLA Oversight Committee.

5.3 After consultation with the Mayor and the Assembly, the Staffing Protocol was adopted by the HoPS in November 2009 and revised in July 2018. The Staffing Protocol sets out the Authority's agreed approach as to how the HoPS will discharge the staffing powers contained in sections 67(2) and 70(2) of the Greater London Authority Act 1999 (as amended).

5.4 Paragraph 5.1 of the Staffing Protocol says that, "*The HoPS will consult the Chief of Staff, on behalf of the Mayor, and the Assembly's staffing committee, on behalf of the Assembly, on any major restructure; namely the creation or deletion of five or more posts within any one unit.*" As set out above, the Assembly's staffing committee is currently the GLA Oversight Committee.

5.5 The proposals set out in this Chief Officer Form fall within the definition of a 'major restructure' contained within the Staffing Protocol so require formal consultation with the Chief of Staff (on behalf of the Mayor) and the Assembly's staffing committee, currently the GLA Oversight Committee, (on behalf of the Assembly). This paper seeks to consult the Assembly (via the Assembly's staffing committee, the GLA Oversight Committee) in line with the requirements set out in the Staffing Protocol. The HoPS will take the Assembly's views into consideration when making a decision.

5.6 The GLA should ensure that its Recruitment and Selection Policy and Equal Opportunities Standard are followed when recruiting to the vacant posts.

## **8. Financial Implications**

8.1 Approval is being sought for the creation of 7 posts within the new Building safety team.

8.2 The costs of this proposal are outlined below, based on the mid-point of grades (incorporating on-costs and the vacancy factor) in 2019-20:

- Creation of 1x Grade 12: £92k

- Creation of 1x Grade 10: £73k
- Creation of 3x Grade 9: £195k
- Creation of 2x Grade 7: £110k

8.3 The total cost of this proposal is £470k which will be covered in full by the Government.

8.4 The £6k per new permanent post charge to fund support services is applicable to these posts, and has been included to the costs above.

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**List of appendices to this report:**

Appendix 1 – Structure Chart

<b>Local Government (Access to Information) Act 1985</b>
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List of Background Papers:
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None
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