Foreword

The eight boroughs of Barking & Dagenham, Enfield, Greenwich, Havering, Newham, Redbridge, Tower Hamlets and Waltham Forest believe it is time for a new approach to government in our sub-region. One which reflects and respects the views of local people, giving them a real say in how their community is run; one that unleashes the true potential of our boroughs; one which empowers local authorities to meet the challenge of historic reductions in funding.

With our connections to local people, relationships with the business community and strategic overview of the wellbeing of our populations, local authorities must be at the heart of a new approach to delivery. Our boroughs offer the greatest opportunity for growth and development in the UK today, but without more effective and joined up action at the sub-regional level there is a real risk that this opportunity is missed.

Too much of what holds back our residents and our economy is avoidable bureaucratic challenge – acute health systems that are not integrated with preventative services; employment services that do not talk to local employers; housing finance that is unnecessarily constrained.

All eight boroughs share a belief that there is a better solution. That by Whitehall devolving further power to the Capital through groupings of London boroughs we can join up services and resources more effectively, we can better exploit our local insight and strategic overview of our area to produce the conditions for economic growth and convergence. This will benefit not just our boroughs, but central Government and the UK as a whole, as we all reap the benefits of efficiency savings, the proceeds of growth and a declining welfare bill.

This is a Leaders’ and Mayors’ discussion document. It outlines a vision for a new approach to decision-making and service delivery which unleashes the potential of our sub-region. As a group, we have come a long way towards building shared understanding and establishing a common vision of the future. Across the eight boroughs there is broad agreement about the need for a new settlement that underpins this discussion paper. The eight boroughs will continue to work closely together to develop a business case establishing where devolved powers would be best exercised at the sub-regional level. From that we will consider the more structural questions about how a sub-regional partnership might be taken forward.

Of course, as the details of any devolution proposals from Government emerge they must be considered on their merit. The details will change as discussions progress and no borough will agree with every element of these proposals. Our ambition is to start a more serious discussion of the future of London’s sub-regional governance. One that pays the same attention to the needs of our boroughs as is granted to areas such as Manchester, Scotland and Wales. Devolution is not complete in London. Together, our eight boroughs are working to take us a step closer to a better deal for our sub-region, the capital and the country.
The eight boroughs of Barking & Dagenham, Enfield, Greenwich, Havering, Newham, Redbridge, Tower Hamlets and Waltham Forest have a shared vision of a vibrant, dynamic and prosperous region. Our residents deserve to achieve the very best outcomes. Having brought real benefits to local people through our partnerships as the Growth Boroughs and North East London Strategic Alliance we have now come together to create a new enhanced role for our sub-region. A role that recognises the potential of our boroughs at the heart of London's economic growth. A role that moves beyond our highly centralised system of government which fails to respond to the diversity of our country and our city. Most importantly, a role which allows us to finally transform the life chance of our residents.

We are home to London's major economic hubs including Canary Wharf and London's only Enterprise Zone. We are the location of significant future developments that will allow London to continue to grow and generate wealth for the UK such as the Greenwich Peninsula, London Riverside, Meridian Water and the Royal Docks. We are identified as a priority area for growth and are already seeing huge change as a result of considerable regeneration. Nowhere else in the country presents the same prospect for housing development and jobs growth. The potential of our sub-region is huge. But without coordinated action and sharper focus this is a chance that could be missed.

Despite the energy, growth and potential of our boroughs our residents continue to suffer significant disadvantage. Our boroughs contain some of the most deprived areas in London. It is unacceptable that our residents die younger than those in wealthier parts of the Capital, that so many of them live in overcrowded, sub-standard conditions and earn less for every hour they work than inhabitants of boroughs in other parts of the Capital. We cannot afford to let this continue. The cost to both our residents and the public purse is too great and is holding us back from realising the region's huge potential.

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All eight boroughs share a belief that there is a better solution. That by Whitehall devolving further power to the Capital through groupings of London boroughs we can join up services and resources more effectively, we can better exploit our local insight and strategic overview of our area to produce the conditions for economic growth and convergence.

Why the eight boroughs?
The eight boroughs are connected by a shared geography. Many of the challenges and opportunities for us traverse administrative boundaries requiring coordinated responses. Problems of transport infrastructure, employment and skills gaps spill over from borough to borough and require coordination across those borders. Yet in many cases a London-wide approach falls to exploit the multi-faceted responsibilities and networks held by local authorities. We are responsible for the overall wellbeing of our residents; our work touches every stage of residents’ lives and encompasses relationships with businesses, educational institutions and the connections with the broader public sector. Right now, that wealth of knowledge, expertise and potential influence is often wasted.

Together we are a significant contributor to the strength and potential of London. The eight boroughs have a population of more than 2.2 million, making us larger than the Liverpool area. Together we will account for 34 per cent of London's population growth by 20301. The opportunity for business growth, jobs and housing development across the region is unparalleled. It is already demonstrated by growing investment from both domestic and international players. The Growth Boroughs alone are predicted to see a £36bn increase in GVA by 20302.

Alongside that potential, we share many complex and significant challenges. Household incomes, skill levels, employment rates and health outcomes are lower than the national averages while poverty rates are higher.

We have a strong track record of working together to become more than the sum of
The Mayoral system in London has been a debate has turned more firmly towards greater is not the same thing as uniformity. What are right for them – we support and parts of the city will be developing proposals in order to increase accountability to the local communities that we serve. In the context of historic spending reductions, it is clear that business as usual is not an option. A new, more streamlined and collaborative approach to business growth is required.

As a sub-region we are ready and able to take on more responsibility through devolution and deliver for our residents. We require the levers which will enable us to ensure that our residents are at the heart of the success of the Capital and that together we can drive further growth for the benefit of the entire country.

Principles for devolution
Nationally prescribed policy like the Work Programmes or housing targets have not delivered. We urgently need to improve performance on housing delivery, increase local skills levels, and drive up employment. We are seeking the mechanisms to achieve allowing the Scottish and Welsh Governments to work together in a similar way, but – we will give our region greater responsibility to tackle these fundamental issues and ensure we become not contributers to UK GDP.

In our parts. Together we have already forged successful partnerships which recognise the shared aspirations, challenges and opportunities of our eight boroughs. The work of the Growth Boroughs has made great strides in securing a lasting legacy from the 2012 Games and towards the goal of convergence; securing jobs for local people, supporting the smooth delivery of the Games and maximising access and benefits to our residents of the Games infrastructure. Together we have established new ways of working as budget pressures less us to work in a more flexible manner that is right for them.

The leaders and Mayors’ discussion document is about devolution to our eight boroughs. Devolution is about sharing knowledge, learning and best practice in supporting children and families to make greater strides in securing a lasting legacy from the 2012 Games and towards the goal of convergence; securing jobs for local people, supporting the smooth delivery of the Games and maximising access and benefits to our residents of the Games infrastructure. Together we have established new ways of working as budget pressures less us to work in a more flexible manner that is right for them.

The London Councils is clear that a stronger role for groupings of boroughs is central to London’s future. This is vital for our residents—only by releasing some of the national control and centralisation of power and responsibilities will it be possible to come together to deliver the integration and coherence that is needed.

This Leaders’ and Mayors’ discussion document is about devolution to our eight boroughs. The challenges and solutions here are different to those in the south, west or centre of the Capital. However, we recognise that our conversation is not happening in isolation. A strong London has a clear framework for devolution—endorsed by national government, the Mayor of London, the London Assembly, and London Councils on behalf of the boroughs. We are sure that collegiality in other parts of the city will be developing proposals that are right for them—we support and endorse that. However, clear governance for London is not the same thing as uniformity. Most other areas may need to deliver for their residents may not match what is needed in our boroughs. The devolution settlement in each area must be driven by the needs of our communities not bureaucratic simplicity.

As a region our call for greater responsibility and control over funding is long overdue. This already have an impressive track record of working in partnership formally around the Olympic and Paralympic Games, North East London (Strategic Alliance) and London Staraced Cambridge Consortium as well as collaborations on specific schemes. We have demonstrated that we can work across traditional party boundaries for the benefit of local authorities and the communities we serve. In the context of historic spending reductions, it is clear that business as usual is not an option. A new, more streamlined and collaborative approach to business growth is required.

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Our vision

The scale of growth envisaged for our sub-region over the coming decades provides an exceptional opportunity to reverse deep-rooted disadvantage experienced by many of our residents. Job increases in the Growth Boroughs are likely to exceed the job increases in the UK as a whole to 2022. Making sure our residents benefit from these new jobs is vital to give them a sustainable route out of poverty – and to improve a host of other outcomes, including emotional wellbeing, health, reduced offending rates, and children’s education and aspirations.

Our vision is for employment rates amongst our residents to rise to meet or exceed those enjoyed by our fellow Londoners. Achieving this vision will mean significant savings to central Government, as we tackle the £195m spent each year on Jobseekers’ Allowance alone in the eight boroughs, along with the wider costs of unemployment including its impacts on crime and health.

Our residents deserve services they can engage with positively and constructively, along with support that truly addresses their needs linked to a range of real jobs which are available locally. We want to use the opportunity presented by the introduction of Universal Credit to give residents access to a seamless and combined employment and skills offer that can diagnose their needs and carefully plan their journey back to work. For those in work that journey may be about access to higher skilled and better paid jobs. Those with the most to do to find and stay in a job must have the highest intensity of support, particularly those on inactive benefits and those in groups experiencing the highest levels of unemployment.

Any effective approach to tackling unemployment must be based on a clear understanding of employers’ needs and offer them a real service. We have the track record, relationships and levers to achieve this, including the clout of planning, partnerships and billions of pounds of procured services across the sub-region. What’s more, we have more at stake as the board our services pick up the costs of failure.

Key to our vision of devolved employment services is our ambition, at a sub-regional and at a local level, to bring together the complex existing funding streams into a simple universal offer that puts an end to residents constantly being passed from scheme to scheme. We must make it easy for businesses, who often find the multiplicity of schemes off-putting, to work with us.

The challenge

Our region has historically seen lower employment than the Capital as a whole. The success of the 2012 Games and promotion of inward investment by boroughs have worked to improve employment faster than the London average, but the eight boroughs remain 3.6 per cent behind the city as a whole. To achieve convergence with the London rate we need 47,000 more residents to move into work. For many of us youth unemployment is a significant problem jeopardising the life chances of our younger residents.

Low employment is part of a wider picture of labour market challenges. Our residents have lower wages than the rest of London, leading to in-work poverty. Insecure work is rife. Thirteen per cent more of our residents are inactive than across the capital, a figure which has seen little improvement. Residents face complex barriers to work, including English language fluency, lower qualifications than London as a whole, childcare, addiction, homelessness, health problems (particularly mental health) and a lack of available flexible employment.

But alongside these challenges there is a huge scale of opportunity, with major development underway across the sub-region. The Growth Boroughs area alone will see a 20 per cent increase in jobs by 2020, along with high numbers of replacement jobs. But new jobs do not guarantee local people will move into work. We must proactively take advantage of these opportunities and provide the right support. Then we can increase employment for our residents and truly change local outcomes.

However, the current operation of employment services is disconnected from this aim. The Work Programme is not performing as well in our part of the Capital as a whole. The Work Programme is not performing as well in our part of the Capital as a whole. The Work Programme is not performing as well in our part of the Capital as a whole. The Work Programme is not performing as well in our part of the Capital as a whole.
as in other areas, and is failing harder to help claimants across the board. Delivery of support funded by central Government focuses on moving people off benefits as quickly as possible, not on sustainable increases in well-paid employment or tackling inactivity. The whole system is isolated from both the requirements of employers and the real holistic needs of individuals and families.

A strong track record

Across the sub-region local authorities have strong existing brokerage programmes that can be tapped into to deliver locally – and where boroughs are newer to this type of work we have a record through the Growth Boroughs Unit of working in partnership to support them to scale up provision. Across the sub-region, without stable statutory funding, we have helped over 30,000 people into work in the last five years. In addition, our funding, we have helped over 30,000 people into work and a record of working together successfully. That includes the Single Point of Access, which supported 42 per cent of residents using it into work, work on the Department for Work and Pensions’ Flexible Support Fund; and the GUA-funded Host Borough Employment and Skills Programmes.

Working together across the sub-region works because we are able to work strategically with large businesses that cross our boundaries, to meet shared challenges amongst our population, but to remain able to connect at a borough level with the needs of local people. We know how to get people into real, sustainable jobs and we have proven we can work together to ensure local people reap the benefits of regeneration. It’s time that track record is recognised by central Government.

A near role for the sub-region

Sub-regional level

> Budget holding and commissioning for employment services should be devolved to the sub-region. Pots of funding for employment services should be devolved to the sub-region as commissioners, with decisions taken through joint governance within the sub-region as to which programmes are best delivered together and by individual boroughs. The partnership will continue to involve commissioning departments and bodies such as the European Commission in discussions about how employment programmes should be delivered. As an intermediate settlement, Government should devolve tithing and under-utilised programmes such as the Youth Contract, Work Programme, complainers provision, and the Universal Support framework. EPS funding should be considered for inclusion at its mid-term review in 2017. Devolution must include freedom over delivery in order for councils working together at the sub-regional level to innovate and improve.

In the long run we want to see the whole range of employment services move towards a devolved settlement with a single commissioning pot for the sub-region; including the Work Programme, Work Choice, and Jobcentre Plus. Mainstream employment support (benefit processing should remain with central Government), Combined funding in this way will enable us to tie into existing activity that tackles the barriers and causes of unemployment. For example, the Troubled Families programme, our work on public health, and our role in working with schools to prepare the next generation of employees.

Definitions of success need to be re-oriented towards employment. We are not looking for devolution of business as usual. In the long term success in employment support needs to be redefined, through negotiation with Government. Success demands a focus on employment outcomes for our residents. We must move away from chasing off-benefit flows and towards volume and job sustainability targets tailored to the specific issues in each area.

The funding model should be redesigned.

Building on lessons from previous national initiatives, we call for a new funding model with a sufficient level of initial upfront investment, recognising that scaling up and tithing performance requires investment of time and resources. Payment by results should be used to reward sustained job outcomes but this should be measured against the up-front investment to prepare residents for work or for a new job. Unlike the current patchwork of short-term provision, local authorities are in this for the long-run and will grow to provide a competitive, valued service.
Our vision
Providing education and developing the skills of our children, young people and families is at the heart of the devolution agenda. We want the sub-region to be one of the best places in the country to educate young people. Schools offer the foundation for skills development in later life. It is vital that our young people gain the qualifications and skills they need to succeed in work and flourish as individuals. High quality schools are essential to attracting families to settle in an area and are an important consideration when firms are deciding where to invest. We want to see the excellent improvements in our schools continue – enabling our young people to maximise their potential. We also want to see employers, schools and colleges working together to help young people develop both the soft and formal skills that are essential to success in the modern labour market.

Our vision is for a lifelong learning and training offer where people are able to develop the skills that they need to get work – helping them and supporting economic growth. This will be essential as citizens will be expected to undertake many different roles and careers in their lifetime. We want our residents to have the chance to earn a fair wage through skills support for in-work progression. This is especially important for parents of children in poor households as part of our efforts to end child poverty. To deliver this we need an effective and independent careers advice and guidance offer.

We are determined to ensure that all our residents have the education, skills and qualifications they need to benefit from the job opportunities that will be created in our boroughs over the coming decades. We want to increase our employment rate, which lags behind the rest of London; improve outcomes for our residents, who for too long have suffered from among the highest levels of deprivation in the country; offer an attractive range of apprenticeship opportunities; and make the sub-region a more attractive place to do business.

We require an education and skills system which we can, and will, tenaciously hold to account. This will ensure our young people are fully equipped to succeed in a rapidly changing employment market – with transferable skills for life and as international citizens. Our young people will provide the leadership and capacity for sustained improvement in the sub-region.

The challenge
Our sub-region has a young population, five years younger on average than the rest of the country, which is both diverse and mobile. Across the eight boroughs, education and skills outcomes have improved over the last decade. GCSE results have improved, the proportion of adult residents with Level 4 qualifications has risen from 21.5 per cent to 40 per cent, and the proportion with no qualifications has fallen1. Despite these successes the sub-region lags behind the rest of the capital, with 9.2 per cent fewer residents highly qualified, 2.3 per cent more with no qualifications at all and 1.6 per cent fewer of our 16 year olds achieving 5 A*-C grades including English and Mathematics2. There are disparities between boroughs, with gaps within London having widened in some areas in recent years. We aim to close this gap and achieve or exceed qualification levels attained in the Capital. An unacceptable number of our young people are NEET, whilst at the higher-achieving and too few are progressing to the top universities. These gaps limit the long-term potential of our residents, lower wages, and hamper the sub-regional and national economy.

Some challenges are shared across the sub-region. For example, the skills agenda currently fails to engage employers. Businesses too often find the complex system of multiple funding agencies divorced from the local picture and difficult to work with. As a result, funding bears little relation to either emerging growth sectors in boroughs or replacement demand as the workforce ages. That serves residents poorly, as they pursue the qualifications on offer rather than those that are linked to the local economy. It serves employers poorly, as they struggle to find qualified local staff. Furthermore, complexity in funding arrangements is likely to lead to duplication and waste. We believe...

1. Growth Boroughs Unit, Convergence Indicators, January 2015.
2. Growth Boroughs Unit, Convergence Indicators, January 2015.
that through an assessment of sub-regional needs and a strategic commissioning approach we can meet these challenges.

In a fast-changing labour market, with skills requirements increasing and the business base diversifying quickly, the only way to support and challenge colleges and universities to respond to these changing needs is to develop more effective and active collaborative networks between providers and employers, such as the Growth Boroughs and partnerships with the boroughs and partners we can meet these new demands. This must take into account residents’ need for retraining as the demands of jobs change over an increasingly long working life.

Despite inequalities of funding, the education system within our sub-region bears the hallmarks of the improvement that has been achieved across London, but is threatened by fractures in partnership working with local authorities as a result of reforms which have influenced. Now that control over new schools has been devolved to local authorities, our proposals are a response to the needs of the labour market for particular vocational pathways or courses that will lead to jobs, and support residents through far clearer routes to work and help progress in employment. We are already building the partnerships to deliver skills training which leads residents into work and helps progress in employment. For instance, training for local people to meet a skills shortage in HVCD (High Value Construction and Design), with Jobcentre Plus, Havering College, and Tesco, Councils in the sub-region are also key partners in driving increased uptake of apprenticeships, using our unique position to smooth transitions for our residents alongside delivering a system that can deliver for them.

A new role for the sub-region

The sub-region should hold a pooled budget for adult skills within a devolved London settlement. London Councils and the Mayor of London have called for devolution of the LEP of the Skills Funding agency budget, with borough partnerships having a formal role in information sharing, planning and decision making. We reinforce that call, and would go further, asking for devolution direct to the sub-region.

We will commission, with pooled budgets from the SFA, DWP, some EPA funding and EU funding, to meet skills gaps that can best be identified at the appropriate sub-regional and local level, and to better align skills and employment provision, and meet the aspirations of all learners.

This budget holding must come with the freedom to:

- Change the incentives behind funding so that they link more effectively with employment, as well as qualification outcomes;
- Commission education and skills provision from partners to meet employer and learner need;
- And innovate and invest to develop a better offer.

Budget holding should include apprenticeship funding, so that sub-regional control can link apprenticeships to business and community needs, expand the sectors in which apprenticeships are offered, and simplify the routes to local residents.

Boroughs working together would be able to use pooled resources to deliver an independent careers advice and guidance service in schools that is properly linked into local labour markets and impacts on the aspirations of our young people.

> We call for a greater strategic and devolved role using Education Funding Agency spending within the region.

We also call for the sub-region to have a strategic and planning role in the way that funding is spent by the Education Funding Agency, the body responsible for funding 16–19-year old provision, as at present there is no strategic input to guide the provision in line with local economic needs, changes in pupil numbers, or to lift up provision across the eight boroughs. Any “middle tier” must be generated by the sub-region, not imposed on it.

Borough level

- Councils should be able to intervene, without reference to the Secretary of State, in all schools which are coasting or failing.

To continue to drive educational improvement, we are arguing for greater powers to intervene in all education settings, including academies; not just in failing schools, but schools which are coasting and with support could become good or outstanding.

- Councils should take a long-term strategic view across the sub-region on school places.

Councils should be enabled and funded to build and run new maintained schools to meet the demand for places and innovate in new routes for vocational education, without requiring recourse to the Secretary of State for decisions.
Our vision

The economic opportunity across our eight boroughs is unparalleled in the UK. Over the next 25 years the sub-region will be a key driver of national growth. We are connected as the sites of major business growth and potential in London in the coming decades. This section of the document is focused on our goal of securing long term prosperity by supporting regeneration and business development that in turn creates opportunities for residents. However, we are acutely aware that the overarching aim of supporting wider economic growth across the sub-region is inextricably linked with a broader range of policy areas from education and skills, to transport and employment. Our calls on business growth go hand in hand with those for a strengthened role in developing the social and physical infrastructure that is central to growth and our ambition for local people.

We hold the potential to reap huge benefits for the rest of the Capital and the country as a whole, both by reducing the costs of unemployment and increasing productivity. We must have real power as a sub-region over the levers that will realise this vision. Our ambition is not about simple self-interest, but about realising the potential which will fuel growth London and UK wide. This is described by Oxford Economics in its reports on the Growth Boroughs and the Lee Valley Corridor. Public and private-led developments in the Growth Boroughs alone are estimated to gain 190,400 jobs generating an additional £36bn in GVA to the UK economy.1

But without laser focus and coordination there is a risk that this opportunity will be missed. As a partnership of boroughs we have the optimal balance of local knowledge, networks and relationships with businesses alongside a strategic overview of a single economic area. We are committed to unlocking this potential together; supporting growth and building a pro-business environment, attracting investment and creating jobs. It is our ambition to target growth sectors in the sub-region including construction, hospitality and health and social care alongside stimulating more businesses in the STEM, arts and creative sectors that are currently underrepresented in the area.

We want to make the best use of land to accommodate businesses, sustainable housing, leisure and community facilities, all linked to good public transport. Business growth depends on connections to markets, suppliers and workforce and can in turn create significant employment opportunities and other benefits for our residents. High streets remain important as centres of employment. As a sub-region we want to ensure we maintain and create spaces which are good for our community and attractive to businesses. We want to support vibrant, thriving and diverse high streets, which serve the needs of our local community, showcase exciting talent, provide mixed use premises and attract new business that contribute to thriving communities.

Together we can play a larger role in ensuring our firms have access to a range of financial instruments that support growth including both equity and loan finance at affordable levels. There is also an important role for us to work better in partnership to stimulate more trade amongst local businesses by facilitating networks, improve access to local contracts and provide high quality business support. Working together and with businesses we can spread and embed best practices.

Most important to our vision is that this success translates into economic opportunities for local people. We will work with businesses to open up jobs which can draw upon the richness of our talented, energetic and increasingly skilled workforce. Only local authorities hold the vital links between businesses, schools, further and higher education institutions to ensure residents have the skills to succeed in the local economy.

The challenge

While the opportunities in the region are huge, we face many challenges realising them. We need greater influence over the long term planning of our areas to ensure we draw in national and international investment.
and support businesses to expand and remain in the region. Despite improvements, parts of the sub-region remain too far behind in terms of transport connectivity, access to superfast fibre optic broadband and availability of adequate business accommodation. Current national and regional oversight of these issues is often too slow to react to these immediate concerns. As a sub-region we are best placed to take an overview of these infrastructure challenges that are preventing further growth and respond to these issues strategically. It is important we gain more control over the balance of our high streets so we can support vibrant and thriving local areas the balance of our high streets so we can support vibrant and thriving local areas. It is important we gain more control over the balance of our high streets so we can support vibrant and thriving local areas.

A strong track record

Our boroughs have already shown we can work effectively with the private sector to encourage and enable business development and regeneration. This is demonstrated by the significant international and domestic investment that the region has attracted with councils playing a key role in supporting businesses to establish and grow. We are proud of the distinct attributes and strengths each borough brings to the region. The sub-region boasts the financial hub of London, growing tech industries, the biggest indoor shopping mall in Europe, London’s biggest manufacturers, a burgeoning market gardening industry and new centres for life sciences and the media. That diversity provides economic resilience and a wide range of job opportunities.

In preparation for the 2012 Games, the Growth Boroughs established a joint committee acknowledging that working in partnership will create a faster, more efficient planning process to ensure work could proceed ahead of schedule. In Havering and Barking & Dagenham, London Riverside will be a new mixed urban centre on the River Thames. It will make best use of land to accommodate leading-edge businesses and sustainable housing, new leisure and community facilities designed around new and existing public transport and integrated with existing communities. By 2020 London Riverside could generate 13,000 new jobs, 5,000 new homes and an internationally recognised conservation park, proving our ability to make the most of our strategic industrial locations.

We have shown our effectiveness in ensuring local people benefit as our area changes. Through the Growth Boroughs we have put in place employer focused jobs brokerage arrangements so employers will know that they can get the right people when they need them. Through this we secured 24,320 Games time jobs for host borough residents.

As Local Authorities we have the strategic overview of our region, the relationships with employers and understanding of the local economy that will enable us to achieve a step change in the prosperity of our city.

A new role for the sub-region

Sub-regional level

Joint sub-regional spatial planning

We acknowledge the place of London wide strategic planning, but currently too much control is held centrally and nationally. Consequently, the planning cycle is too slow to address emerging challenges. To unlock the growth potential of the capital the sub-region should jointly develop a long term strategy for growth and investment acknowledging that our boroughs have a central role to play in setting priorities and investing resources.

For example, Mayor of London call in powers should be reduced to enable the sub-region to lead on and take accountability for achieving those growth ambitions. The sub-region should have greater influence over the future use of GLA-owned land in the area.

Devolution of funding for design and delivery of business support programmes.

Many councils are proactive in engaging local and new businesses, but we are financially restricted as to the extent we can engage in this agenda. Current resources for business support are piecemeal and sporadic. As a sub-region we will have the strength and knowledge to adapt these programmes to emerging needs of local businesses and tailor services more effectively than those planned at national and regional level. Provision should be business led. We are well placed to make sure local accountability of the delivery of regional and national business support programmes, such as the inward investment programmes from London and Partners, the UIKTI trade service from GLE and the Growth Accelerator from Grant Thornton. It is essential that the sub-region is allocated our fair share of regional resources to drive business growth.

Devolution of regional funding for start-up finance

Access to finance is key to business growth, especially for start-ups and high growth firms. The combination of equity and loan finance and business support needs more effective targeting. At the sub-regional level we are best placed to identify opportunities for growth and link new and expanding businesses to support.

Wider powers for skills and infrastructure.

As local authorities we have cross-cutting roles across employment, skills and wider infrastructure. As outlined in the Employment, Education and Skills and Transport sections of the prospectus, strengthening these roles will allow us to work more strategically than the current fragmented framework.

Borough Level

A strengthened role in town centre planning and regulation.

Local authorities are best placed to challenge non-compliance and manage the mix and balance of high streets. Local enforcement of the National Minimum Wage for example will save money for the Treasury and support productive businesses prepared to play by the rules.

Stronger powers to challenge the proliferation of betting shops, hot food outlets and other non-retail premises will increase the resilience of our communities. These powers should be devolved to the borough level. However, these freedoms will enable us to collaborate across the sub-region where challenges are shared. By working across the eight boroughs we will be able to have a greater impact in ensuring consistency across borough boundaries and prevent the displacement of poor practice.

Local authority control of permitted development rights.

This current system allows central Government to set out permitted development rights and provides local authorities limited mechanisms to amend this when an area sees imbalances in development. A localised system will free our planning authorities to better support growth in the most appropriate and sustainable way and to work together where there are strategic issues across the sub-region.
Our vision

Decent housing is fundamental to the stability of our community, the wellbeing of our residents and the labour supply that is vital for London’s business growth. Across the eight boroughs our ambition is to build homes and create thriving communities where families choose to live and put down roots and enable economic development. As a partnership we must have the ability to influence the market to help deliver this. We want a market that works for current and future residents, where people have a choice of high quality affordable housing. It is essential to our ambition for mixed, strong and cohesive communities that are part of a thriving economy.

Tenants should be empowered with a better understanding of their rights. Similarly landlords should have the confidence that when things go wrong, they have the support they need to get a fair deal, but understand that the sub-region will not tolerate dangerous or substandard conditions. It should be within our gift to support a decent mix and supply of housing to enable affordable homes for those in low skilled and low paid work and those who are new entrants to the labour market. Without this we risk driving residents out of the area to seek places where they can afford to live. This creates transient populations bringing with it multiple challenges.

The cost and quality of London’s housing and the failure to meet current and future housing need across the Capital are major drag factors on its economic potential. With massive housing growth planned across the sub-region together, as a new formal partnership, we believe we can strengthen our negotiations with developers, maximise our assets, streamline strategic cross-borough planning and drive up the quality of the housing offer across all tenures. Across our eight boroughs we can offer a wide range of housing from high density apartment living around key transport nodes to suburban family housing, catering for a wide variety of Londoners’ needs. It is essential that the needs of local residents are at the heart of our plans. We will ensure they benefit from large scale developments and wider regeneration alongside those new to our areas.

Our challenge

For many of us the existing model for housing development is failing at every level: failing to provide affordable homes to buy; failing to provide decent private rented sector options and failing to support those in the most severe housing need. The impact on our communities and risk to our economy is severe. With demand only set to increase the crisis will deepen unless we are given the levers to take swift action.

According to GLA projections, our boroughs will account for 34 per cent of the population growth in London to 2030. There is an urgent need to accelerate house building to meet this immediate demand and to promote economic growth. If we do not meet the supply challenge we may find that the labour supply that makes London attractive to employers can no longer afford to live in the sub-region. There is no doubt over the importance of the private rented sector — not only due to its size, but because it can contribute to greater labour market mobility and has the potential to provide people with flexible, affordable and good quality homes. However, in the sub-region the price of rented accommodation has risen sharply and not always in line with standards. Climbing rents mean an increasing proportion of people who claim housing benefit are in work and living in the private rented sector, while others are simply moving further out of London.

While the vast majority of landlords provide decent accommodation with flexible terms, a significant minority exploit tenants by charging extortionate rates for appalling conditions. As well as the individuals and families involved, the effects are felt more widely with poorly managed properties impacting on neighbourhoods, threatening cohesion and inevitably leading to rising levels of anti-social behaviour.
The migration of families to the region as a result of escalating housing costs elsewhere also brings an increased demand for housing and other services including health, social care and children's services. Equally, the forecasted rise in the retired population will have implications on the provision and demand for housing and support for older and disabled households.

Analysis of migration of school age children into and out of each London borough demonstrates that transience is a significant challenge for the region. Between 2009 and 2013 Redbridge experienced the largest inflow with nearly 15,000 children and during the same period more than 10,000 children moved out. Newham has experienced the largest outflow of children in this period at more than 18,000 while nearly 11,000 moved in. These challenges present clear implications for local stability, pressure on services and cohesion.

While affordability is a key issue in relation to the owner occupied sector, there are still significant parts of the sub-region where values lag and viability is a fundamental barrier to delivering more complex brownfield sites. A stronger focus on regeneration and infrastructure investment is required to tackle supply side issues which are a major barrier to development. Whilst development can bring disruption we must also be mindful of the benefits regeneration and new developments bring to existing residents as well as those new to our boroughs, seeking buy in from all parties.

It is positive that council housing tenants have the opportunity to gain a foot on the housing ladder, but increased Right to Buy discounts have accelerated the loss of social housing and the current system makes it impossible to replace that stock. Contrary to the original aim of the scheme councils are increasingly finding that Right to Buy is supporting growth of the private rented sector rather than supporting social tenants to purchase and live in their own home. In Tower Hamlets for example it is estimated that 50 per cent of Right to Buy properties are now let by private landlords. Homelessness is a significant and growing concern placing huge strain on resources. Reductions to housing benefit and the distorted system of allocating homelessness funding is intensifying the burden as other London boroughs place their residents in our boroughs further reducing supply and driving up prices.

Together these challenges reflect the failure of the market to cater to the needs of our residents. We need greater coordination and collaboration across the region to respond and create a housing offer that works for local people.

Councils across the sub-region are already intervening in a market we recognise is not meeting the needs of our residents. Through the establishment of special purpose vehicles a number of councils including Barking & Dagenham, Enfield, Waltham Forest, Newham and Greenwich are taking proactive steps to self-finance home building, attract investment and increase housing of different sizes and tenures to meet the range of housing needs from social rented, affordable homes and market price housing.

Recognition that the private rented sector must work better for all our residents has led many boroughs to consider licensing. Waltham Forest is expecting to introduce its scheme in 2015, and success is already emerging from Newham where borough-wide licensing has been operating for two years. Since February 2013 the scheme has led to 473 prosecutions against criminal landlords, 24 landlords banned, 61 Rent Repayment Orders commenced totalling £485,933, and now all landlords who should be licensing are licensed. However, legislation remains restrictive, limiting power to deliver these schemes effectively if boroughs choose to.

Whilst there is more to be done each of our boroughs often worked hard and made substantial investment in the quality of our own housing stock. Many councils are working with the private sector to drive forward regeneration schemes which provide homes and improve the quality of existing housing. Investment in Royal Greenwich’s growth areas particularly
the Greenwich Peninsula, Woolwich and Charlton Riverside will deliver more than 20,000 new homes. At Barking Riverside a new town of 11,000 homes is being built. Enfield’s Meridian Water neighbourhood is expected to bring 5,000 new homes to the borough and Waltham Forest is building a new town of 11,000 homes. Newham has created Red Door Ventures, a council owned company which will build at least 3,000 homes in the next ten years. Acknowledgement that problems of high housing demand and limited supply cannot always be resolved within borough boundaries has led to the establishment of the East London Housing Partnership. This now runs projects to reduce overcrowding, under-occupation and homelessness in East London, demonstrating the strength of sub-regional work in housing. We have a strong record of collaborating to improve outcomes and the efficiency of planning. But we can achieve more through coordinated use of funding, enforcement of standards and engagement with the private sector. As individual boroughs we have shown our determination to address the very real and immediate housing crisis. Yet we still face too many barriers in our efforts to strengthen the market for the benefit of local residents, businesses and the local economy. Government must recognise our track record in delivery and equip us with the tools that can promote growth, raise standards, and bring wider benefits to the exchequer.

The Greenwich Peninsula, Woolwich and Charlton Riverside will deliver more than 20,000 new homes. At Barking Riverside a new town of 11,000 homes is being built. Enfield’s Meridian Water neighbourhood is expected to bring 5,000 new homes to the borough and Waltham Forest is building a new town of 11,000 homes. Newham has created Red Door Ventures, a council owned company which will build at least 3,000 homes in the next ten years. Acknowledgement that problems of high housing demand and limited supply cannot always be resolved within borough boundaries has led to the establishment of the East London Housing Partnership. This now runs projects to reduce overcrowding, under-occupation and homelessness in East London, demonstrating the strength of sub-regional work in housing. We have a strong record of collaborating to improve outcomes and the efficiency of planning. But we can achieve more through coordinated use of funding, enforcement of standards and engagement with the private sector. As individual boroughs we have shown our determination to address the very real and immediate housing crisis. Yet we still face too many barriers in our efforts to strengthen the market for the benefit of local residents, businesses and the local economy. Government must recognise our track record in delivery and equip us with the tools that can promote growth, raise standards, and bring wider benefits to the exchequer.

A new role for the sub-region
By coming together, with greater freedom to develop affordable and market housing, the partnership will be more effective in responding to the housing crisis. Sub-regional
> Joint strategic planning for housing development. As a sub-region we should have a strong voice in planning housing – working in partnership with the Mayor of London. National and regional funding should follow this plan rather than operating in the current disjointed and cluttered landscape. At present navigating more than 40 different grants and investment programmes makes real strategic planning impossible. Greater cross-borough strategic spatial planning powers could support a more coordinated approach to spacial, economic and infrastructure priorities and delivery. There are also far too many conditions attached to the GLA grants regime; boroughs need more autonomy to build solutions that suit them.

> Remove restrictions on borrowing. Local authorities have shown that they can and do push forward with exciting new developments which genuinely meet local housing need. However, this activity is restricted by current caps on borrowing. Restrictions on borrowing, particularly on the HRA, should be removed if there is a solid business case related to housing. This fantastic work can be expanded. The potential for shared borrowing caps across boroughs should also be considered. In return for greater freedom to borrow our boroughs will build more housing taking local action and supporting central and regional government to reach housing targets.

Borough level
> Devolve powers over Right to Buy. It is positive that council housing tenants have the opportunity to own their home, but local authorities should have the power to manage Right to Buy to better meet local needs. This should include changing discounts if there are high levels of homelessness and setting criteria for purchasing to minimise private profit from public subsidy.

> Local authority licensing regimes. Local Authorities should have the power to implement and enforce licensing schemes where a need is identified because of poor quality conditions or high demand. Longer tenancies should be encouraged at a local level and where this fails longer tenancies should be allowed as a licensing option. This may not be the solution for every borough in our partnership; the decision about whether to license should be one for individual authorities. But with greater freedom, where there is a shared need the sub-region will coordinate activity and have a greater impact on the private rented sector, after consistency to landlords across borough boundaries and prevent problems simply being displaced.

> Charges for planning service. In line with London Councils’ calls we believe boroughs should have the power to charge developers for provision of better resourced and more effective planning service on a full cost recovery basis. The benefit for developers would be a guarantee that pre-set targets will be met giving them assurance over timescales, speed of decision making and technical competence.
Our vision
Our vision for better transport in the sub-region is driven by the needs of our residents and businesses. For residents, access to affordable homes within reasonable distance of jobs, study opportunities and services relies on transport infrastructure that is well planned and responsive to changing local needs. Their health relies on clean air and safe roads. Their bank balances are affected by decisions about fares and zoning. For businesses, growth depends on connections to markets, suppliers and workforce.

We want genuine influence as a sub-region in transport planning and control over local routes. It is an essential tool as we work to bring businesses to the area to drive growth. When a change is needed, for example to bus routes, in order to support an early shift at a new factory, to address a lack of north-south routes in a borough, or to bring routes into line with a shift in local hospital services, we want to be able to join up these local changes with transport infrastructure.

We recognise that transport is a policy area where co-ordination across larger zones is imperative, and that Transport for London is an effective and efficient delivery body for the Capital. But transport strategy should be developed from the bottom up by bringing together contributions from boroughs and working together as sub-regions to ensure consistency. Areas like ours should have a real say in setting the priorities of major transport strategy, whilst taking into account TfL’s wider strategy.

The challenge
As a sub-region we have made great leaps forward in recent years in the outcomes for our residents. The growth in employment and the emergence of new business centres comes in no small part as a result of greater connectivity and improved transport links, from the legacy of the Jubilee Line extension and DLR to the emergence of Stratford as a regional hub.

We have a rising population and workforce, with a large proportion of new housing in the coming decades due to be located in our eight boroughs. London’s centre of gravity is shifting, creating incredible opportunities for our boroughs, our capital and our country. Getting the right level of transport provision, the right routes and meeting rising demands are vital to realising that potential.

Whilst we recognise that public finances are tight, there is a continued case for more investment in transport infrastructure in the sub-region where it will drive jobs and growth.

Despite improvements there remain areas of the region with markedly poor public transport connectivity. Residents experience problems with the quality and frequency of services; poor orbital and limited north-south connections; and major arterial routes that disconnect neighbouring communities. The performance of parts of the road network remains inadequate, and many cycling and walking links are fragmented or in need of repair.

Although boroughs already have powers to address some issues, air quality adjacent to sections of the highway network is not good enough and we need further action on reducingpedestrian, cyclist, and motorcycle casualties.

Excessive central control hampers our ability to achieve change for our residents. Although the sub-region is consulted through TfL’s transport panel, transport planning is too often done to us, not with us, and control and powers which could be held sub-regionally or locally are concentrated with TfL or central Government. This means they do not take account of the experiences and needs of our residents and happen in isolation from the broader economic planning of our region. In short we risk missing the opportunities for growth within the sub-region.

A strong track record
Working together, boroughs have shown that we have a vital role to play in ensuring that transport spending is well directed. Decisions on major infrastructure, from the Jubilee Line extension and DLR in the 1990s, to the development of the East London Line in
the 2000s, and now Crossrail and securing funding for a third track on the Stratford to Angel Road line, have been strongly influenced and improved through joint lobbying efforts between our boroughs. That influence has meant that routes have been better linked to areas of growth in terms of jobs and homes, rather than determined by central planners with less insight in these areas. Recent sign-off of a shared transport strategy by the Growth Boroughs has shown that local leaders are able to co-operate beyond individual asks to agree a joint plan based on a common evidence base about the needs of the area as a whole. This has also been the case as many of us have collaborated through the London Stansted Cambridge Consortium. It is this approach that we wish to formalise on a sub-regional basis.

We are closely connected to our community, with local knowledge about the impact that transport has on our residents and businesses, which we can feed into both long-term planning and flexible, responsive services. This is acknowledged in the way that the sub-region is currently consulted – but we need a shift from consultation to control.

A new role for the sub-region

The eight boroughs are calling for a tiered approach to devolution. We recognise the vital role that TfL and the GLA play including Mayoral funding through programmes such as the Local Implementation Plan and major Schemes – but we need a greater say in strategies that affect us and control where the impact is entirely sub-regional.

- The sub-region should have a stronger role in transport planning. The TfL Sub-Regional Transport Plan is at present shared with boroughs for agreement and to influence decision making around Local Implementation Plan budgets. This situation should be reversed. We are calling for sub-regions, redefined along the lines of functional working partnerships, to be resourced to draw up a transport plan based on local priorities which will feed in on a formal basis to the Mayor’s Transport Strategy, along with London-wide needs. That will enable us to deliver high quality, convenient and environmentally friendly transport options for our residents and to reduce congestion.

- Sub-regions should be given more control over local bus routes. Local authorities are the first layer of government to be aware of the urgent need for new bus routes. But requests to change or introduce services are in the hands of TfL making them difficult to achieve, and requiring considerable additional funding from boroughs. We are calling for a formal requirement for TfL to negotiate necessary changes agreed by the sub-region to bus services falling primarily or entirely within the sub-region, whilst understanding the need for longer strategic routes to be retained under greater TfL control.

- There should be greater transparency over resources. At present the allocation of transport resources for major TfL schemes in terms of their impact on boroughs is not transparent. A target resource allocation based on transport needs (formed by potential housing and jobs growth) should be made, not as a strict requirement that hampers sensible decisions, but as a guide to support equitable distribution of projects.

- Local decisions should be in local hands. We are calling for control over a range of powers to be transferred from London and central Government to councils, from the ability to charge for workplace parking, to powers to close roads, powers over road crossings, greater influence over decisions on traffic lights, and the ability to negotiate reduced speed zones on major roads.

- The sub-region’s relationships with TfL should be placed on a more formal footing. Where the sub-region and boroughs respond to consultations by TfL, there should be a requirement for a formal response from TfL.
Our vision
Good health and wellbeing is fundamental to the resilience, prosperity, and strength of our local communities. That is why as a sub-region we are committed to reducing health inequalities and improving health outcomes.

Our vision is for residents to enjoy the same or better outcomes as those in the rest of the Capital. To realise that goal we want to break the existing barriers between health and social care and shift local strategies towards greater primary prevention, earlier intervention and greater integration. The economic and social cost of delaying the preventative agenda is no longer one we can afford. We believe that as leaders in social care and public health our boroughs should drive this agenda, working with health agencies to move towards a truly joined up approach.

We want to have the choice to build allegiances and use collective weight, local intelligence, and experience in strategic commissioning to build a common language between the NHS and local authorities, which breaks down organisational boundaries.

Across the sub-region there are more than 360 GP practices, the NHS employs more than 37,000 staff and manages budgets of over £2.6bn just within hospital Trusts. Locally we should have a greater say on how these resources are deployed to deliver better outcomes for local people through integrating our spending power with that of the NHS. Strategic planning of the health estate is a key mechanism for leading local authorities to shape a market that truly serves the health and social care needs of local people. Government simply cannot solve the issue of rising demand without the vital function that local authorities provide in areas such as social care, education, skills, housing and employment. We must build on the momentum created by the recent publications of the NHS Five Year Forward View, the London Health Commission and the inclusion of health and care in the Greater Manchester devolution agreement, which all recognised a strengthened role for local government.

The challenge
Despite the vibrancy, diversity and growing opportunities across our boroughs, the historic weight of inequality in the region is palpable. The Marmot review made clear that we cannot ignore the health inequalities that exist. We know that the wider determinants of health – the environment we live in, the quality of our homes, education, employment and the impact of poverty and deprivation – are core to health outcomes.

Yet across the region the impact of welfare changes, child poverty rates, increasing pressures on council budgets and the crisis in housing is sharply felt. Compounding these challenges is the rapidly growing population. According to GLA projections, the region will be responsible for 34 per cent of the population growth in London up to 2030. While there is much synergy across the boroughs, there are also distinct challenges, from ageing populations in Havering and Redbridge, to high birth rates in Barking & Dagenham and Newham.

Yet resourcing is not keeping pace. The impact of historic health underfunding of some of our boroughs is now compounded by changes to the funding formula and funding for GPs which will impact negatively on boroughs with young populations and with very high levels of health need. Trusts covering six of our boroughs face a shortfall of greater than £860m to 2018/19 between funding and projected demand.

To add to the challenge, the Care Act provides a new legal framework governing our duties, changing the way social care is delivered as well as introducing new and additional requirements at a time when council budgets are facing massive reductions. Furthermore councils are faced with additional challenges...
Health and Wellbeing Boards have demonstrated their strength in identifying local priorities, establishing joint working, and lobbying for resources. A joint submission from Redbridge, Havering and Epping Forest led to further funding for health visiting. Boroughs are already working together on specific strategies such as sexual health across Newham, Tower Hamlets and Redbridge.

The Banking & Dagenham, Havering and Redbridge Integrated Care coalition has focused on reducing unnecessary hospital admissions. Initiatives have included integrated care management, community treatment, intensive rehabilitation at home and a nursing home scheme. Six of the eight Boroughs have been collaborating on Healthier Children, Healthier Places - a whole systems approach to obesity, identifying the local authority levers for shifting the culture and environment that drives obesity, and sharing evidence, learning and best practice supporting children and families to make healthier choices. These examples demonstrate how councils are already working to collaborate across local boundaries. With greater powers local authorities can and will proactively engage with neighbouring councils, health agencies and other providers to achieve the very best outcomes for residents. It is time that this is recognised through a clearer and more comprehensive role for our boroughs.

A new role for the sub-region
We believe that as current leaders of social care and public health we should be afforded significantly greater power to plan and commission services to meet the growing and changing needs of our local populations. Our aim is in line with the London Councils proposition which recognises the critical role councils are playing in the integration and prevention agenda. Through joint working we will be able to work better together to manage the significant demands on the system and technological advances.

Sub-regional level
> A stake in determining the future of the large NHS estate.

The sub-region must be given the power to look holistically at the social care and NHS estate and harness it to create high quality future provision through a consensus on investment and disinvestment strategies. Additionally the sub-region’s role in infrastructure planning must be strengthened to enable us to take account of population growth and further link realising and delivering to the needs of the local area.

Jointly agree plans for local primary care estates.
Funded from the underspend in the Department of Health capital programme.

Devolution of budgets and commissioning for employment services.
This paper also supports the calls made in the Employment and Skills paper to devolve funding for employment services to the sub-region. This will allow the partnership to commission services that can support people with long term or fluctuating health conditions into work or to remain in work. This will go a long way to addressing health inequalities. As a sub-region we can also be more proactive in work force planning and training to address staff shortages in areas such as health visiting, social work and enablement workers, and care staff.

Local authority level
> Local authority commissioning of primary care and connected services, and a strengthened role for Health and Wellbeing Boards.

Local authorities should be central to the strategic commissioning agenda and should be responsible for commissioning primary care, health checks and more, in consultation with the health service. The current disconnect between health services and councils results in fragmented provision and an inability to identify and deliver services based on need, particularly for children and young people. While CCGs do now have the potential for more control over primary care, this excludes the strategic role of local authorities.

> Local authority jointly agreed health and integration plans with the health sector.

Local authorities’ role in planning strategically based on population projections and demographic shifts in partnership with the health service must be strengthened. We should lead the integration plans and five year strategies for integrating health and social care including co-commissioning arrangements for primary care based on population projections and demographic shifts.