

REPORT OF THE CLERK TO THE JOINT COMMITTEE

Strategic Direction of the Five Borough Olympic Programme and the Olympic Joint Borough Central Unit	Classification Public	Enclosures N/A
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1. INTRODUCTION

- 1.1 The Inter Authority Agreement ('the IAA') sealed by the Mayors and Burgesses of the London Boroughs of Greenwich, Hackney, Newham, Tower Hamlets and Waltham Forest ('the Host Boroughs') on 31 August 2006 established those Boroughs' intention to develop a co-ordinated programme (referred to in the IAA as the Five Borough Olympic Programme) to secure local benefits and a sustainable legacy from the London 2012 Olympic and Paralympic Games and an Olympic Joint Borough Central Unit ('Host Borough Unit' or 'HBU') to deliver this programme. The IAA also established a Chief Executives' Board to review the operation of the IAA. On 19 March 2010 the IAA was amended to establish a statutory Joint Committee, a unique body exercising executive functions on behalf of the Five Host Boroughs in relation to matters concerning and surrounding the Five Borough Olympic Programme and Host Borough Unit.
- 1.2 To date the Host Borough Unit has had a significant positive impact, establishing a strong identity and consolidating policy thinking locally, regionally and nationally around the principle of Convergence and the Olympic legacy for East London. In early 2010 the London Borough of Hackney, as Accountable Body for the Host Borough Unit, was asked by the Chief Executives' Board to undertake a review of the Host Borough Unit to ensure it remains fit for purpose in the final two years before the 2012 Olympic Games.
- 1.3 On 21 May 2010 the Chief Executives' Board agreed the recommendations of the review. The recommendations of the review have also been endorsed individually by the Leaders and Mayors of the five Host Boroughs.

2. RECOMMENDATIONS

- 2.1 The Joint Committee is recommended to approve the recommendations of the review of Host Borough Unit and delegate authority to the Chief Executives of the Host Boroughs to implement those recommendations.
- 2.2 The recommendations of the review are as follows:

Convergence and the Strategic Regeneration Framework

- i) The Host Borough Unit is to be streamlined and re-skilled to focus on facilitating lobbying on Convergence and facilitating the co-ordination of Host Borough led work on prioritised Strategic Regeneration Framework activity.

Multi Area Agreement - Tackling Worklessness and Incapacity Benefit – a Total Place approach

ii) The Host Borough Unit is to focus on a clear programme and timetable for delivery of a Total Place project for tackling worklessness and reducing uptake of Incapacity benefit to be run by the Boroughs reporting to the Joint Committee sub-Committee.

Multi Area Agreement - Public realm

iii) The Host Borough Chief Executives will develop an urgent engagement plan for securing Public Realm investment. The London Borough of Waltham Forest will act as Lead Borough for this activity.

Non-Legacy Issues

iv) City Operations and Games Time activities is to be removed from the Host Borough Unit's remit and placed with the Boroughs, reporting via a de minimis centralising arrangement, directly to the Chief Executives' Board. The London Borough of Newham will act as Lead Borough.

v) The CREATE cultural programme is to be removed from the Host Borough Unit's remit and placed within the London Borough of Hackney as Lead Borough with a view to proceeding discussions about establishing it as an arms length entity.

vi) The JLARS unit is to be removed from the Host Borough Unit's remit and placed in the London Borough of Newham as Lead Borough reporting to the JLARS Board.

Implications for the Host Borough Unit

vii) The Joint Committee and Chief Executives' Board provide the appropriate governance structures, but the administration of those bodies will sit outside the Host Borough Unit's remit with the Clerk to the Committee in the London Borough of Hackney. Meetings will be streamlined with agreed standing items.

viii) Chief Executives will take personal responsibility for driving joint working themes and key relationships seeking advice from Borough Leaders and Mayors as appropriate.

ix) Substantive engagement between the Unit, Boroughs and our partners should be pushed down through those organisations to encourage dialogue at multiple levels.

x) Operational delivery of the employment and skills agenda to be removed from the Host Borough Unit's remit and placed with the London Borough of Greenwich as Lead Borough reporting to the Joint Committee sub-Committee.

xi) The Unit's staffing structure and budgets be cut and restructured to reflect the above new arrangements.

xii) The Chief Executives of the accountable body (Hackney) and the Lead Boroughs designated in recommendations iii) (Waltham Forest), iv) (Newham) and vi) (Newham) above be authorised to determine appropriate financial management arrangements for the various existing grants relating to those functions.

3. RELATED DECISIONS

- 3.1 Section 7 of the IAA establishes that the Joint Committee can appoint Lead Boroughs to undertake activity on behalf of the Host Boroughs.
- 3.2 The London Borough of Hackney will remain the Lead Borough for the employment of staff in the smaller, streamlined Host Borough Unit as set out in section 8 of the IAA.
- 3.3 The London Borough of Hackney will remain the Lead Borough for discharging the Annual Budget as outlined in section 8.3 of the IAA.
- 3.4 Leaders and Mayors of the Host Boroughs have indicated that they would like to pursue closer working with other London Boroughs. Partners and stakeholders may be invited to attend meetings of the Joint Committee and its sub-Committees as observers under the terms of the Memorandum of Understanding signed with delegated authority by the Chief Executives' of the Host Boroughs on 22 June 2009. It is recommended that the Joint Committee avail itself of this opportunity while the Chief Executives' Board and Clerk to the Joint Committee explore options for more formal engagement with other Boroughs with their respective Chief Executives. Recommendations in this regard will come to a future meeting of the Joint Committee.

4. ALTERNATIVE OPTIONS

- 4.1 There are no alternative options given here. The recommendations set out above have been agreed by the Chief Executives' Board and endorsed individually by the Leaders and Mayors of the Host Boroughs.

5. SUSTAINABILITY AND LEGACY

- 5.1 The arrangements now presented are both enduring and robust and will support the delivery of the Five Borough Olympic Programme through its lifespan in accordance with legal requirements and best governance practice and will provide the basis for the Joint Committee to realise its objectives.

6. ECONOMIC IMPACT

- 6.1 The effective delivery of the Five Borough Olympic Programme will stimulate the economies of all the Host Boroughs by attracting grant aid and investment based on the staging of the Olympic and Paralympic Games.

7. HUMAN RIGHTS

- 7.1 There are no human rights implications arising from this report.

8. RISK

- 8.1 These new arrangements will significantly reduce the risk of failure to realise the Joint Committee's objectives by ensuring the appropriate management processes are in place for the Five Borough Olympic Programme, through the Lead Boroughs and a new focussed and streamlined Host Borough Unit, reporting in turn to the Chief Executives' Board and Joint Committee.

9. FINANCIAL CONSIDERATIONS

- 9.1 Although grant awards secured by the Host Boroughs in respect of the Five Borough Olympic Programme have been generally managed by Hackney as Lead Borough, the Inter Authority Agreement enables the Joint Committee to appoint one or more of the other four boroughs to undertake the Lead Borough function for specific grant awards. The establishment of Lead Boroughs set out in the recommendations above assumes those Boroughs will take on the management of new grants within the area for which they lead. It is recommended that the Joint Committee delegate authority to the Chief Executives of Hackney and the respective Lead Boroughs to make decisions in relation to the appropriate management of existing grants and other financial arrangements, i.e. whether their management should remain with Hackney or transfer to the new Lead Borough. Hackney will continue to manage grants issued to the Host Borough Unit.
- 9.2 One of the functions of the Joint Committee is the approval of an annual budget for the funding of the Host Boroughs Unit. The IAA appointed Hackney as Lead Borough. Accordingly, Hackney is responsible for the employment and management of the staff of the Host Boroughs Unit, and for the financial management and administration of the budget, income and expenditure of the Unit. Hackney applies its own financial, procurement and human resources procedures in carrying out these Lead Borough responsibilities.
- 9.3 With the agreement of the Chief Executives' Board, the Host Borough Unit is currently operating on an interim budget for 2010/11 pending implementation of the recommendations set out above. It is expected that when fully implemented these recommendations will deliver savings to the Host Boroughs by means of a reduction in their Annual Contribution made under section 9.2 of the IAA. The London Borough of Hackney will propose a revised budget for 2010/11 and new budget for 2011/12 taking into account these savings to a future meeting of the Joint Committee.

10. LEGAL CONSIDERATIONS

- 10.1 This report has been written in consultation with legal advisers of the Host Boroughs and has taken into account all relevant legal considerations. The recommendations are consistent with the requirements of the IAA and the Joint Committee is empowered to exercise executive functions in this regard.. There are no other immediate legal implications arising from this report.

Tim Shields

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Background papers

The following documents have been relied upon in the preparation of this report:

No background papers.

Description of document	Location	Date