

Note of last LGA Leadership Board meeting

Title: LGA Leadership Board
Date: Wednesday 13 September 2017
Venue: Rooms A&B, Ground Floor, Layden House, 76-86 Turnmill Street,
London, EC1M 5LG

Attendance

An attendance list is attached as **Appendix A** to this note

Item Decisions and actions

1 Apologies and Declarations of Interest

No declarations of interest were made.

Cllr Howard Sykes MBE and Cllr Sue Murphy CBE joined the meeting by video conference.

Cllr Izzi Seccombe OBE declared an interest in Item 10, as her husband is the Warwickshire Police and Crime Commissioner.

2 LGA Business Plan 2017/18

Mark Lloyd (Chief Executive) introduced the report, which included the draft LGA Business Plan for 2017/18. The Plan set out the LGA's proposed areas of focus for 2017/18, as well as the proposed LGA priority campaigns.

In the following discussion, comments included:

- On issues which resulted in councils having an additional legal liability such as building regulation, which had arisen following the Grenfell Tower fire, and air quality, where DEFRA proposed to introduce a requirement for councils, there should be detail in the Plan on what powers would be needed to take work forward. DCLG would be setting up a new Grenfell task force in due course, and the LGA would be invited to be represented on it.
- There was the opportunity for additional focus on housing and homelessness, and it was suggested that a report on this be considered by Leadership Board or the LGA Executive at a future meeting. A DCLG consultation on setting national housing targets was expected to be launched on Thursday 14 September, and the LGA would capture Members' comments and form a response.
- The LGA should give continued focus on how to work with the government to address the need for additional funding for infrastructure, as development contributions were not currently matching demand.

- The LGA's continued focus on devolution should be considered alongside ongoing work on Brexit and constitutional reform.
- Regarding performance management of the Business Plan, Members noted that the detail of the work would be performance managed through team plans and budgets. It was suggested that Board Chairs also have greater involvement in how their areas of the Business Plan are managed.

Decision

The LGA Leadership Board **agreed** the Business Plan for 2017/18, subject to amendments included above, and commended it to the LGA Executive.

Action

Business Plan to be amended following comments by the Leadership Board, and comments by the LGA Executive at their meeting on Thursday 14 September. (**Claire Holloway**)

3 Local Partnerships Annual Report

Sean Hanson (Local Partnerships' Chief Executive) introduced Local Partnerships' Annual Report on the achievements of 2016/17, both in terms of benefit to local government and on the final performance for the year, including how the LGA's 2016/17 Grant of £1.2million had been spent.

In doing so, he reported that Local Partnerships had performed well against its objectives for 2016/17 and outlined the feedback mechanisms in place to ensure it remained relevant to its owners and councils. He highlighted the changing trends in demand for support, as well as how Local Partnerships were adapting their work programmes and resources accordingly.

Highlighting Local Partnerships' financial performance Members were informed that, at year end, Local Partnerships were operating a surplus and had repaid loan stock to the LGA and HM Treasury, as well as a share of the remaining surplus.

In the following discussion, members thanked Local Partnerships for their report, welcomed their work, and asked a number of detailed questions and provided suggestions about particular areas.

Decision

The LGA Leadership Board **noted** the performance of Local Partnerships in 2016/17 and ways in which the LGA could continue working with Local Partnerships to mutual benefit.

4 Chief Executive's Report - September 2017

Mark Lloyd (Chief Executive) introduced the report which set out the LGA's main achievements against the business plan priorities since the last meeting in July. In doing so, he drew attention to the LGA's lobbying on the European Union (Withdrawal) Bill; business rates reliefs; the National Living Wage; Children's Services improvement; NHS England winter pressures; and councils' response to the Grenfell Tower fire.

In the following discussion, comments included:

- The Leadership Board were asked to encourage colleagues to respond to the LGA Chairman's letter asking for information on their current position on business rates reliefs. It was suggested that the LGA political group offices be informed which councils had not yet responded and prompt them for a response. It was highlighted that the Valuation Office Agency had been slow in their response on business rates appeals.
- Members noted that the LGA continued to support the Royal Borough of Kensington and Chelsea in their response to the Grenfell Tower fire. Barry Quirk, who had been appointed as temporary Chief Executive of RBKC had been appointed as the permanent Chief Executive earlier in the week. The LGA was also continuing its work to support councils who had tower blocks in their areas which had failed cladding and insulation testing.
- In response to a question on a statement by the London Fire Brigade Commissioner on retro-fitting of sprinklers, it was confirmed that the LGA's position continued to be that sprinklers were not the only solution, and all methods of fire suppression appropriate to the type of building should be taken into account.
- Regarding delayed transfers of care, it was highlighted that consistency of approach would be beneficial for all of local government. It was suggested that the ADASS criteria for performance management of delayed transfers of care was more useful than the criteria currently being used.
- There was currently no solution to the issue of the National Living Wage and sleep-in payments, but representations had been made to the Minister. There were serious warnings regarding back pay, and the issue would remain a priority until a solution was found.

Decision

The LGA Leadership Board **noted** the Chief Executive's report for September 2017.

5 LGA Forward Plan

Decision

The LGA Leadership Board **agreed** the forward plan.

6 Note of the last Leadership Board

Decision

The Leadership Board **agreed** the minutes of the previous meeting held on 19 July 2017.

7 LGA's 2017 Autumn Budget Submission

Sarah Pickup (Deputy Chief Executive) introduced the report which sought Members' views on the LGA's submission to the Treasury in advance of the Autumn Budget.

There followed a detailed confidential discussion.

Decisions

The LGA Leadership Board

- a) **Noted** the Autumn Budget submission clearance procedure; and
- b) **Approved** the LGA's 2017 Autumn Budget submission subject to Members' comments and comments from the LGA Executive on Thursday 14 September.

Action

LGA's 2017 Autumn Budget submission to be amended as necessary following comments from Leadership Board and the LGA Executive. (**Sarah Pickup**)

8 Fair Funding Review: Analysis of Emergent Propositions

Sarah Pickup (Deputy Chief Executive) introduced the report, which presented an overview of the emergent propositions regarding funding assessment models which could be adopted at the end of the Fair Funding Review, and outlined their features, strengths and limitations. The Leadership Board noted that although there was some emerging consensus over the principles of designing a new assessment, none of the propositions outlined in the report were currently ready for implementation.

The three current propositions were:

- The Government model, which was LGA officers' assessment of the tentative direction of travel of the Government's approach to the Fair Funding Review, which aimed for a simplified system of funding distribution, and a single formula with a number of different service-specific formulae.
- The ALATS model, which had been prepared as a result of discussion between a small group of local authority chief finance officers, representing the different treasurer societies. The group had established a number of cost drivers that could form part of a relative needs assessment, as well as discussing various principles on how to balance simplicity and fairness. There was recognition that the model should encourage good behaviours across local government, but the group had not assigned weightings to the various cost drivers so the implications for individual local authorities were unknown.
- The Leicestershire model, which was a proposed relative needs based assessment which had been developed by officers at Leicestershire County Council, based on a small number of formulae and indicators with some similarities to the ALATS model. Officers had assigned weightings to various indicators based on internal and external discussions, and national average council tax levels had been used as opposed to actual council tax income. Exemplifications had been produced but in two tier areas the allocation to County and Districts was aggregated at this stage.

In the following discussion, comments included:

- Generally the three models showed that progress was being made, but more evidence was needed as none could be used to distribute funding immediately and all required further development. All three models would feed into the joint work on fair funding that the LGA and councils were undertaking with DCLG.
- Weightings would be the vital factor, and while Leicestershire had developed methodology more work was needed to validate weightings assigned.
- Members commented that it would be useful for the LGA to give consideration

to the process of evaluation, and it was suggested that the Resources Board or the Business Rates Task and Finish Group consider taking this work forward.

- It was suggested that the process be renamed 'effective funding', in order to address the assumption that all councils would see increased funding as a result of the Fair Funding review. There should also be consideration given to what review mechanism would be in place to ensure that the process was embedded correctly.
- Consideration should be given to what would subsequently happen when a council became self-funding, for example the mechanism be for unfunded cost pressures.
- The proposals would be kept under review, and Members' comments would inform ongoing work on the funding assessment models. Suggestions for how the work would be taken forward would be brought back to the Leadership Board at a future meeting.

Decision

The LGA Leadership Board **noted** the contents of the report.

Action

A further report on the funding assessment models to be considered at a future meeting. (**Sarah Pickup**)

9 LGA Annual Conference and Exhibition

David Holdstock (Director of Communications) introduced the report which provided a summary of activity and feedback from the LGA Annual Conference and Exhibition 2017, and invited the Leadership Board to comment on the direction for the 2018 Conference and Exhibition. Members were also asked to discuss potential options for preferred venues for 2021 and beyond.

The Leadership Board discussed the main issues which had been identified through feedback from the 2017 Annual Conference and Exhibition, as well as potential venues for future conferences, and asked that a further report be considered at a future meeting with the full cost implications of various options.

Decisions

The LGA Leadership Board:

- a) **Noted** the summary of activity and feedback from the 2017 LGA Annual Conference and Exhibition;
- b) **Agreed** the recommended programme for the 2018 LGA Annual Conference and Exhibition; and
- c) **Agreed** that a further report on options for Conference venues for 2021 and beyond with full costs would be considered at a future meeting.

10 Fire Governance

Mark Norris (Principal Policy Officer) introduced the report, which set out potential options for how the LGA should respond to changes in fire governance resulting from the Policing and Crime Act 2017, particularly regarding the transfer of fire governance from some Fire and Rescue Authorities to Police and Crime Commissioners.

Decisions

The LGA Leadership Board:

- a) **Noted** the changes to fire governance currently underway in England and the impact this may have on LGA membership; and
- b) **Agreed** a steer on a preferred way forward from the options set out in the report.

11 Local Government House Refurbishment

Claire Holloway (Head of Corporate Services) introduced the report and highlighted that the refurbishment of 18 Smith Square was nearing completion, with a planned return scheduled for the final weekend of October 2017. She provided an update on the project including timescales and cost.

Members noted that marketing had begun for the three floors of the building which would be commercially let.

Decision

The Leadership Board **noted** the latest position in relation to the refurbishment of 18 Smith Square and the planned return date of 30 October 2017.

Appendix A -Attendance

Position/Role	Councillor	Authority
Chairman	Lord Gary Porter CBE	South Holland District Council
Vice-Chairman	Cllr David Simmonds CBE	Hillingdon London Borough Council
	Cllr Howard Sykes MBE	Oldham Metropolitan Borough Council
	Cllr Marianne Overton	Lincolnshire County Council
	MBE	
Deputy-Chairman	Cllr Sue Murphy CBE	Manchester City Council
	Cllr Peter Box CBE	Wakefield Metropolitan District Council
	Cllr Michael Payne	Gedling Borough Council
	Cllr Lib Peck	Lambeth London Borough Council
	Cllr Ruth Dombey OBE	Sutton London Borough Council
	Cllr Peter Reeve MBE	Huntingdonshire District Council
Members	Cllr Nick Forbes	Newcastle upon Tyne City Council
	Cllr Sean Anstee	Trafford Metropolitan Borough Council
	Cllr Paul Carter CBE	Kent County Council
	Cllr Peter Fleming OBE	Sevenoaks District Council
	Cllr Izzi Seccombe OBE	Warwickshire County Council