

## Note of last LGA Leadership Board meeting

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**Title:** LGA Leadership Board  
**Date:** Wednesday 17 October 2018  
**Venue:** Smith Square 1&2, Ground Floor, 18 Smith Square, London, SW1P 3HZ

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### Attendance

An attendance list is attached as [Appendix A](#) to this note

### Item Decisions and actions

#### 1 Apologies and Declarations of Interest

Apologies for absence were received from Cllr Clive Woodbridge.

No declarations of interest were made.

#### 2 Local Partnerships Annual Report

Sir David Wootton, Chair of Local Partnerships, and Sean Hanson, Chief Executive of Local Partnerships, introduced the Local Partnerships Impact Report for 2017/18. This was the first time the report had been presented in this format and Members welcomed its clarity. In particular the range of work which Local Partnerships had undertaken with LGA grant funding was highlighted.

In the discussion which followed Members raised the following points:

- There was an indication that the number of local authorities which Local Partnerships worked with was increasing. The number of large and medium projects had remained the same, but the number of smaller projects had increased significantly. In particular there was a lot of work ongoing with county councils on restructuring and ways of working.
- It was highlighted that the Local Partnerships Board was a predominately all-male group, and that more work could be done on diversity of the organisation. Some Board members were appointees from partner organisations including the LGA, so all should be aware of the challenge. Sean Hanson added that Local Partnerships followed the principle set by SOLACE that they would not speak at engagements with an all-male list of speakers.
- In response to a question, Mark Lloyd explained that the LGA's grant to Local Partnerships was effectively commissioning them to deliver elements of our central government grant commitments.

### Decision

The LGA Leadership Board **noted** the report from Local Partnerships and thanked them for their continued work.

### 3 Centre for Public Scrutiny Annual Report

Lord Kerslake, Chair of the Centre for Public Scrutiny (CfPS), and Jacqui McKinlay, Chief Executive of CfPS introduced the CfPS Annual Report for 2017/18. Lord Kerslake highlighted that the CfPS work had been further aligned to LGA improvement work over the previous year, including high profile work with Royal Borough of Kensington and Chelsea and Northamptonshire County Council. Financial pressures had continued for councils and therefore scrutiny was more important than ever in helping councils deliver. CfPS would focus on financial scrutiny, health integration, housing and commercialisation as priorities over the next year.

Jacqui McKinlay explained that the report set out in detail where LGA money was spent, and where CfPS aligned on the improvement offer. This included support through a help desk when councils wanted to contact CfPS directly. It was important for CfPS to fill gaps where councils may not have enough resource, as well as sharing best practice across the sector.

In the discussion which followed Members raised the following points:

- Scrutiny in combined authorities was raised as a potential area for more work, as scrutiny was not as clear cut as in an individual authority. CfPS had undertaken some work with combined authorities over the previous year, and was working with the LGA on a Combined Authority Governance Network to address the issue.
- The role of scrutiny in the London Assembly was also raised as an issue for consideration.
- CfPS was advising the Department for Business, Energy and the Industrial Strategy following the LEP governance review, and were also working with the LEP network and individual LEPs. The organisation was undertaking work on the scrutiny of LEPs by councils and would keep the issue under review.

#### **Decision**

The LGA Leadership Board **noted** the report and thanked CfPS for their report.

### 4 Brexit

Cllr Kevin Bentley, Chairman of the LGA's Brexit Task Force, introduced the report which provided an update on the work which the LGA was undertaking to address the opportunities and risks of Brexit for councils.

Cllr Bentley highlighted that structural funding through to 2020 had been secured, and that now there would be a consultation on the UK Prosperity Fund which was worth £5.4 billion to local government. He had written to the Secretary of State to ask who would be consulted and to highlight that the funding should be matched by the UK Government when the UK exited the EU.

Members noted that Cllr Bentley had also written to the Secretary of State regarding issues around candidacy for election and voting rights in the Local Elections in May 2019, on which clarity was sought urgently. Issues around food hygiene and food labelling had recently been discussed, and if officers were required to be retrained as a result clarity was also required as councils would have to undertake work quickly.

In the discussion which followed Members raised the following points:

- A Brexit risk assessment framework for councils was discussed. Members agreed that the framework would be different if there was a deal or if there was no deal, and therefore it was too early to introduce a framework at this stage, but it would be useful for councils.
- There was an expectation that local resilience forums would have a role in the event of civil contingencies following the leave date of 29 March 2019. As the Government has not shared plans these forums were currently unsure what they were planning for. It was hoped that further clarity on their role would be provided in due course.
- Regarding future influence on the Committee of the Regions, it was highlighted that the UK had paid contributions to the Committee until 2020, and they were open to the possibility of a Joint Committee to consider particular areas of legislation following the exit of the UK from the EU. Officers would work with the Committee, the UK delegation, and the LGAs political group offices on the opportunity and what could be achieved as a result.
- Work should be undertaken on the local impact of Brexit on unaccompanied asylum seeking children, on children entering the school system, and on workforce stresses, particularly related to roles which historically have been easy to fill.
- Cllr Bentley would be discussing Brexit work with the People and Places and City Regions Boards, and would report back to the Leadership Board on those discussions in due course.

#### **Decision**

The LGA Leadership Board **noted** the update and commented on the focus for future Brexit work.

## **5 Housing Revenue Account Caps**

The Chairman introduced the report and highlighted that the Prime Minister's announcement at the Conservative Party Conference that the HRA borrowing cap would be removed was a significant victory for the LGA. This had been an LGA priority and focus of sustained lobbying since it was introduced in 2012. The LGA would continue to work with the Treasury and MHCLG on the removal of the cap, and it was anticipated that more details would be presented as part of the Chancellor's Budget.

In the discussion which followed Members raised the following points:

- It was important to be clear about the wording used. LGA policy was to argue to scrap the borrowing cap, not just lift it, which could be interpreted as lifting to a higher level.
- The LGA would liaise with MHCLG on any conditions on how money should be spent. It was hoped that individual authorities would have the freedom to borrow and build without conditions.
- Councils with Housing Revenue Accounts should be encouraged to build as quickly as possible, and work had begun on a proposal to fund a team of experts to work with councils to start building projects.
- There remained a need to address issues around Right to Buy, and the LGA would continue to work on this.

#### **Decision**

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

## **6 The lives we want to lead, the LGA green paper for adult social care and wellbeing:**

Sally Burlington, Head of Policy, introduced the report which provided an update on the LGA's adult social care and wellbeing green paper, 'The lives we want to lead'. She highlighted that the consultation on the green paper had been a really successful engagement process, with approximately 500 responses. The LGA's Research team were currently processing these. Two pieces of research - focus groups and an online public poll - had been undertaken and confirmed that people generally had a poor understanding of social care, who ran it, and what they were expected to pay. There was currently no clear solution, but the results would be analysed and there would be an opportunity to think about what the LGA should present to the Government.

The focus groups and polling would be published over the next few weeks, and the full report would be published at the NCAS conference in November, ahead of the Government's own green paper on adult social care. It was suggested that the Chairman and Group Leaders approve the final report, following appropriate consultation with their own groups. The Chancellor's Budget may say something about future NHS funding, and the NHS plan was coming out soon, and the LGA had fed into both processes.

In the discussion which followed Members raised the following points:

- There had been many conversations on the green paper at the party conferences. It was important that the report should stand up to scrutiny on a technical level, including detail on property.
- The response rate to the consultation was remarkable, and now the LGA had to formulate a realistic solution which could achieve cross-party agreement.
- There was still not enough awareness of the issues raised in the green paper within the NHS, and the LGA should continue to work with them on a long term solution.
- There could be a range of views, options and solutions presented in the report, as it would be difficult to agree on just one.

### **Decision**

The LGA Leadership Board **noted** the update and progress that had been made with the LGA green paper.

## **7 Fair Funding Review and Business Rates Retention Update**

The Chairman, Lord Porter, left the meeting at this stage and Cllr Nick Forbes, Senior Vice-Chair, took the Chair for the remainder of the meeting.

Nicola Morton, Head of Local Government Finance, introduced the report which provided Members with an update on progress on the Fair Funding Review and Business Rates Retention Reform since the previous meeting in September.

Regarding the Fair Funding Review, Members noted that the officer level technical working group had continued to meet, and there was agreement about the use of population projections in future formulae. This position had been agreed by the Leadership Board and the LGA Executive earlier in the year.

Regarding Business Rates Retention, the Chairman and Group Leaders had signed off the BRR model earlier in the day. This would now be amended, quality checked, and shared with Member authorities.

In the discussion which followed Members raised the following points:

- In response to a question on the BRR model, it was confirmed that this would allow users to amend a variety of variables and results for each Member authority could be checked based on statistical reports.
- Whether councils' other income, for example from Parking or commercial investment would be taken into account in the fair funding formula. This has been considered as part of fair funding work but it is unlikely that MHCLG will propose taking this into account in the new funding formula.

#### **Decision**

The LGA Leadership Board **noted** the update.

### **8 Report of the Independent Remuneration Panel**

Claire Holloway, Head of Corporate Governance, introduced the final report of the Independent Remuneration Panel (IRP). Lord Best, who had chaired the Panel since 2009, had been invited to reconvene the IRP in 2018. The Panel had concluded that the LGA's Scheme of Members' Allowances and Expenses was reasonable and appropriate, but had made some recommendations which were set out in the report.

Regarding the proposed day rate payment for Members on workforce employer bodies, it was highlighted that in previous years these meetings had been more frequent. If the frequency of meetings increased again in future it may be necessary to look at these allowances again. It was also highlighted that Members received no remuneration for membership of Europe employer bodies, and this would be clarified in the amended scheme.

Members agreed that as the 2018/19 meeting cycle had begun the agreed changes should be implemented from the start of the next cycle in September 2019.

#### **Decision**

The LGA Leadership Board:

1. **Thanked** the Independent Review Panel for their work and **accepted** the conclusions set out in the report; and
2. **Agreed** the five recommendations of the Panel – that the LGA;
  - 2.1 Amends its Member role descriptions to show the anticipated weekly time commitment in hours rather than in days.
  - 2.2 Amends the role descriptions of vice chairs to specify that vice chairs are expected to “provide peer support and mentoring to individual councillors and groups of councillors” as part of their core responsibilities. Up to 10 further formal peer days may be paid at the standard day rate.
  - 2.3 Adds the Chair of the Fire Services Management Committee to the list of positions for which travel expenses are reimbursed.
  - 2.4 Replaces the special responsibility allowance paid to members of the Workforce Employer Bodies with the Members' Day Rate and brings those appointments into the main LGA scheme of allowances.
  - 2.5 Replaces the current carers' allowance of £7.83 per hour (equivalent to the national minimum wage) with the Living Wage and London Living Wage.

#### **Action**

Officers to ensure that it be made clear how the scheme be applied to Europe employer

bodies (**Claire Holloway**).

## **9 Communications Update**

David Holdstock, Director of Communications, introduced the report which presented a progress report on the LGA's communications activity and corporate campaigns for the first six months of the year.

In particular he highlighted successful work in support of the LGA's Adult Social Care Green Paper and the Bright Futures campaign, for which the LGA hosted its first Parliamentary exhibition. At the Annual Conference in July FutureComms had been launched, which provided a comprehensive guide to modern local government communications best practice for Leaders and Chief Executives.

In addition Members noted that the LGA had supported councils on a variety of high profile issues, including assisting Royal Borough of Windsor and Maidenhead with Royal Wedding preparations. Evidence was also highlighted that the LGA's new website was being used more and more effectively by users.

### **Decision**

The LGA Leadership Board **noted** the communications activity for the period April 2018 to September 2018.

## **10 Application from Northamptonshire PCC to join the LGA Associate Scheme**

The Senior Vice-Chair introduced the application of the Northamptonshire Police and Crime Commissioner to join the LGA's associate scheme.

### **Decision**

The LGA Leadership Board **accepted** the Northamptonshire Police and Crime Commissioner's application to join the LGA's Associate scheme.

### **Action**

Officers to respond to the Northamptonshire PCC and progress the application in line with the decision (**Claire Holloway**).

## **11 LGA Membership Subscriptions 2019-20**

The Senior Vice-Chair introduced the report, which set out potential approaches to setting LGA subscriptions for 2019/20 and included changes as a result of forthcoming council reorganisation in Dorset, Somerset and Suffolk. He explained that it was the recommendation of Group Leaders that Option 1, no change to current arrangements, be agreed which would maintain income with only a small reduction in real terms.

It was suggested that in future reports it would be useful to consider how a reduction in subscriptions would impact the LGA, and also consider options to increase loyalty benefits for member councils.

### **Decision**

The LGA Leadership Board **agreed** that Option 1 (no change) be agreed as the basis of calculating subscriptions for 2019/20.

**Action**

Officers to notify all councils of their 2019/20 subscription and begin work on membership packs (**Claire Holloway**).

**12 Chief Executive's Report - October 2018**

Mark Lloyd, Chief Executive, introduced the report which set out the LGA's main achievements against the Business Plan since the previous meeting in September 2018. He began by thanking Members for their work at the recent party conference, and in particular made reference to the announcements made at the Conservative Party Conference which related to local government. These included announcements on removing the Housing Revenue Account cap, a near total ban on the use of flammable materials on high rise buildings, a series of reforms to the Apprenticeship Levy, a £200 million youth endowment fund to young people at risk of youth violence, and £240 million in additional funding for adult social care for winter pressures.

Members also noted that the LGA was currently preparing for the Chancellor's Autumn Budget which would take place on 29 October 2018. It was likely that the Budget announcements would take place later in the day than usual, and so the LGA's briefing would also be later as a result.

The Chief Executive also updated Members on work to establish the new LGA Company, LGA Unlimited. Officers had written to all Member authorities to seek their agreement to dissolve the unincorporated LGA at a date to be determined by the Leadership Board. A two-thirds majority was required, and so far 156 Member authorities had signalled their agreement out of a required 233.

In the discussion which followed, Members raised the following points:

- Regarding the Chairman's forthcoming meeting with the Secretary of State for Education, Damian Hinds MP, it was requested that the issue be raised of looked-after children caseloads not closing due to insufficient court time.
- Members discussed the LEP review, on which the City Regions Board and People and Places Board had undertaken work. The Chairs of the two Boards had written to the Secretary of State on the issue of the balance between local government and business representatives. Officers were encouraged to continue working on the issue so that LEPs could achieve as much as possible, exploring good examples of where LEPs were working as well as areas where they had been less successful. It was suggested that this matter would benefit from a higher profile in trade press and other media

**Decision**

The LGA Leadership Board **noted** the Chief Executive's report for October 2018.

**13 LGA Forward Plan**

The Senior Vice-Chair introduced the Forward Plan, which set out the agendas for the LGA Leadership Board, LGA Executive, and the Councillors' Forum for the next three months.

**Decision**

The LGA Leadership Board **agreed** the Forward Plan.

## 14 Note of the last meeting

### Decision

The LGA Leadership Board **agreed** the minutes of the previous meeting held on 12 September 2018.

## 15 LGA 2019/20 Budget Framework

Jonathan Gratte, Strategic Finance Manager, introduced the report which presented the LGA 2019/20 Budget Framework. Members noted that the Financial Strategy for 2019/20, which had been previously agreed by the Leadership Board, would provide the core starting point and baseline comparator for the 2019/20 budget.

There followed a confidential discussion.

### Decision

The LGA Leadership Board **agreed** the proposed 2019/20 Budget Framework for the LG Group Companies, using the Medium term Financial Strategy from the March 2018 Budget paper as the basis.

## Appendix A -Attendance

Position/Role	Councillor	Authority
Chairman	Lord Porter of Spalding CBE	South Holland District Council
Senior Vice-Chair	Cllr Nick Forbes	Newcastle upon Tyne City Council
Vice-Chairmen	Cllr James Jamieson	Central Bedfordshire Council
	Cllr Howard Sykes MBE	Oldham Metropolitan Borough Council
	Cllr Marianne Overton MBE	Lincolnshire County Council
Deputy-Chairmen	Cllr Izzi Seccombe OBE	Warwickshire County Council
	Cllr Paul Carter CBE	Kent County Council
	Cllr David Simmonds CBE	Hillingdon London Borough Council
	Cllr Robert Alden	Birmingham City Council
	Cllr Lib Peck	Lambeth London Borough Council
	Cllr Michael Payne	Gedling Borough Council
	Cllr Anne Western CBE	Derbyshire County Council
	Cllr Peter Box CBE	Wakefield Metropolitan District Council
	Cllr Ruth Dombey OBE	Sutton London Borough Council
In attendance	Cllr Kevin Bentley	Essex County Council
Apologies	Cllr Clive Woodbridge	Epsom and Ewell Borough Council