

Improvement and Innovation Board: Priorities

Purpose

For discussion and decision.

Summary

Following discussion at the last Board meeting Lead members have given further consideration to the proposed Board priorities and to the future of Portfolio roles, which the Board is now invited to agree. Updated terms of reference are attached at **Appendix A**.

The report also invites members' comments on the improvement priorities for 2017/18.

Recommendations

That the Improvement and Innovation Board:

1. **Agree** the Board priorities at para 2 and member leads.
2. **Agree** the revised Terms of Reference at **Appendix A**.
3. **Agree** to exploit existing opportunities to engage members in the Board's work (paras 8 –12) rather than to appoint portfolio roles.
4. **Offer views** on the improvement priorities for 2017/18 (paras 13-17).

Action

As directed by members.

Contact officers:

Dennis Skinner

Nick Easton

Position:

Head of Improvement

Improvement Co-ordination
Manager

Phone no:

020 7664 3017

020 7664 3278

E-mail:

Dennis.skinner@local.gov.uk

Nick.easton@local.gov.uk

Improvement and Innovation Board: Priorities

Background

1. Following discussion at the last Board meeting Lead members have given further consideration to the proposed Board priorities and to the future of Portfolio roles.

Board Priorities

2. Lead Members propose that the Board focus its work around the following priority areas each overseen by a Lead Member/member of the Board:
 - 2.1. Leadership: Cllr Judy Billing MBE
 - 2.2. Improvement (challenge and support from peers): Cllr William Nunn
 - 2.3. Accountability and transparency/sharing practice: Mayor Dave Hodgson MBE
 - 2.4. Productivity and Efficiency: Cllr Ron Woodley
 - 2.5. Innovation: Cllr Peter Fleming OBE
3. These priority areas reflect what we know from experience works for improvement (strong political and managerial leadership; challenge and support from one's peers; good performance data and the ability to compare performance with others; the identification and sharing of good practice and practical support for greater efficiency and productivity – including exploring innovative ways of working).
4. The proposed priority areas have also shaped our improvement offer to the sector to date and our discussions with the Department for Communities and Local Government (DCLG) about how we make the most effective use of DCLG grant to best support improvement in the sector. As a result they are all reflected in the current Memorandum of Understanding (MoU) with DCLG for 2016/17. Of the four core themes in the MoU the first three focus on peer improvement and support; efficiency and productivity and strong political and senior officer leadership. DCLG funding has been allocated to support activity in these areas.
5. At the Improvement and Innovation Board meeting on 29 November members agreed the value in aligning Board priorities with the core themes in the MoU thus ensuring that we focus on those things that we know work for improvement and for which funding is available. This also provides clarity by focusing on those issues within the Board's direct influence. This framework will be used to shape our regular performance reporting to the Board, giving members the opportunity to monitor the effectiveness of our support and to shape its future direction.
6. At the same time this set of priorities provides some flexibility to deal with other significant factors and provide additional member input. So for example:
 - 6.1. Accountability and Transparency. This priority area picks up our work, currently positioned under the Efficiency and Productivity theme in the MoU, to help councils make better use of data and to benchmark and compare performance data through LG Inform. It also reflects one of the foundational principles of sector led

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improvement – that councils are primarily accountable locally not nationally and that greater transparency leads to stronger local accountability.

- 6.2. Innovation. Highlighting Innovation as a priority reflects the view that incremental improvements to the way councils work are unlikely to be sufficient in the longer term and new transformational approaches are required. It picks up our work to encourage and promote innovative solutions in local government, for example: our work with the Design Council to equip councils to use design techniques to improve services and/or manage demand; the annual Innovation Zone and data base of innovative practice; and our work with the Behavioural Insights team aimed at piloting new ways of managing demand and improving outcomes. These are currently positioned under the Efficiency and Productivity theme in the MoU.

Terms of Reference

7. At the last meeting of the Board members agreed the proposed revised Terms of Reference but asked that it be updated to reflect the Board's priorities once they are agreed. A proposed updated Terms of Reference to reflect the proposed priorities at para 2 is attached at **Appendix A**.

Member involvement

8. At the last meeting the Board decided not to appoint Regional Ambassadors because of the potential duplication with the role of regional peers and on the basis that all members have a role in promoting sector led improvement and the LGA's offers. There were mixed views about the value of continuing with portfolio appointments and the Board asked Lead Members to give the matter further consideration.
9. Lead members propose that the Board exploit existing opportunities to engage members in the Board's work rather than to appoint portfolio roles for 2016/17.
10. The creation of the Board's portfolio and regional ambassadorial roles during the 2015/16 Board cycle reflected the LGA's piloting of new ways of working at that time. New opportunities were created to compensate for the reduction in the number of Board meetings per annum. Subsequently however the Leadership Board agreed to discontinue the portfolio model and to increase the number of Board meetings to 5 per annum. In doing so it encouraged all Boards to use existing flexibilities to broaden member engagement beyond Lead Member roles.
11. At the last meeting the Board agreed to establish a small group of members to oversee and input to the development of the Innovation Zone at next year's Annual Conference and also to invite members to contribute to the development of the Board's commercial skills offer for councillors. Further opportunities like this can be taken as they arise.
12. As well as these specific examples;
- 12.1. Where members have specific subject based improvement interests then these can still be pursued without the need to create formal portfolio positions. The regular report outlining the improvement work of other LGA Boards provides information about improvement support across a wide range of subject areas – including devolution and housing, for example. In addition all Board papers are publically available on the LGA website and there is nothing to prevent members

attending other Board meetings as observers, receiving Board Bulletins, etc and reporting back to the Improvement and Innovation Board. In the past the Board has also had discussions around the improvement support in children's services, adult social care and health and on devolution.

- 12.2. All members can take the opportunities available to them to promote sector led improvement and the LGA's support offer. This could include writing articles promoting the offer and its effectiveness; making presentations about the offer at regional meetings and member networks; drawing attention to good practice, etc. Standard presentations are available for use and officers can signpost other useful material.

Improvement Priorities for 2017/18

13. In the draft local government finance settlement published on 15 December the following was included:

- 13.1. *"The Secretary of State has set aside sufficient resources for sector led support and intends to continue to make payments to the IDeA. Funding for the IDeA will be announced following a negotiation and upon reaching agreement on a new deal for sector lead support for the course of this Parliament."*

14. It will be important for the LGA to be able to enter discussions with DCLG about the support programme for 2017/18 with a clear sense of sector priorities. Members may recall that over the last few months we have been consulting with the sector and holding discussions internally with members, peers and staff about the future improvement priorities to be funded by the main DCLG grant. This has included sessions at our staff conference, member peer conference, discussions at various LGA Boards including the Improvement and Innovation Board and a call out to all councils to submit their views, including questions in the LGA's annual survey.

15. Feedback on future priorities has been fairly consistent across the country and from different events. The key messages are:

- 15.1. Universal support for our current programmes around peer support, leadership development programmes for councillors and support to help identify and deliver savings via our efficiency and productivity work, including transformation.
- 15.2. Support for the continuing importance of commercialisation for councils. This builds on the LGAs current support offer (with positive feedback on the emerging offer) and the demand from council officers to better understand what is meant by councils being more commercial and the skills officers need to be more commercial.
- 15.3. Innovation and good practice – this reiterates the importance of seeking out and understanding innovative practice and the LGAs role in facilitating the sharing of good practice.
- 15.4. Increasing support compared to previous years for assistance around housing and economic growth.
- 15.5. The need to have a clearer set of outcomes that we are seeking to achieve.

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16. Potential suggested outcomes include:

- 16.1. An increased confidence amongst leading members in their ability to lead organisations, across partnerships and for communities.
- 16.2. A sector that continues to become more efficient and innovative in its use of resources - i.e. continuing our overall objective that for every £1 of DCLG grant invested we will help councils save £10.
- 16.3. A sector that continues to improve, as measured by a basket of performance indicators used by councils (as a proxy to measuring how our support has had an impact).
- 16.4. Councils that are transparent and accountable to the public they serve.
- 16.5. The need for government intervention is kept to a minimum and effective arrangements exist to support recovery and improvement where necessary.
- 16.6. Councils are helped to maintain high levels of public trust and satisfaction in local government.

17. The feedback from the sector and proposed outcomes will help shape and inform our discussions with DCLG around improvement priorities for 2017/18 and the use of DCLG grant. Subject to the Boards views, officers will seek to build the key headlines into the bid for future DCLG grant.

Implications for Wales

18. There are no specific implications for Wales.

Financial implications

19. There are no additional financial implications arising from the report.

Next steps

20. To pursue in the light of members' guidance and direction.