

## **LGA Leadership Board – Review of the Year 2016/17**

### **Purpose of report**

For discussion.

### **Summary**

The 2012 audit of the LGA's corporate governance arrangements recommended the introduction of an annual self-appraisal by the Boards to "reflect upon the preceding twelve months in terms of what has been achieved, progress against plan, what went well and lessons learnt".

This report summarises the work that the Leadership Board has undertaken in the twelve months from July 2016.

### **Recommendation**

That the LGA Leadership Board reviews its work and programme of meetings over the past year, considers lessons learned and highlights any changes or new approaches it would wish to see.

### **Action**

Officers to take action in line with the Board's recommendations.

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## **LGA Leadership Board – Review of the Year 2016/17**

### **Background**

1. Under its terms of reference, the LGA Leadership Board's purpose is to develop the strategic priorities of the Association in consultation with member councils and the LGA Boards, and make recommendations to the LGA Executive.
2. The LGA's seven external priorities are set out in the 2016/17 Business Plan: Britain's exit from the EU; Funding for local government; Inclusive growth, jobs and housing; Children, education and schools; Promoting health and wellbeing; and Devolution and Sector-led improvement. A further internal priority – A single voice for local government – governs our organisational activities.
3. The Board directs the LGA's business and holds the Boards to account in line with these priorities.

### **Business Plan**

4. Over the summer 2016, Leadership Board contributed to the development of an updated set of priorities for inclusion in the 2016/17 Business Plan. Members requested a greater emphasis on devolution, working with combined authorities, delivering affordable housing and supporting councils to develop their own models of governance. A new priority on Britain's exit from the EU was added in response to the outcome of the referendum.
5. Alongside performance monitoring reports, the monthly Chief Executive's report sets out the LGA's main achievements against the business plan priorities and key corporate indicators, including membership and communications, enabling the Board to hold the Chief Executive to account against the delivery of the business plan.

### **Autumn Statement 2016**

6. The Leadership Board considered the LGA's formal submission to the 2016 Autumn Statement and made a series of recommendations for the LGA's lobbying lines prior to the Government's announcement. Key wins included: the delay to the sale of higher value void properties; and the 'pay to stay' policy being made voluntary. The Board also shaped targeted LGA communications in response to a lack of long-term financial planning for adult social care funding within the published statement.

### **Spring Budget 2017**

7. The Leadership Board guided the LGA's submission to the Treasury in advance of the Spring Budget which, alongside a programme of targeted communications, resulted in £2 billion of new funding for adult social care.

### **Local Government Finance Settlement 2017/18**

8. The Board informed the LGA response to the provisional Local Government Finance Settlement and focused on the changes to the New Homes Bonus, the unsatisfactory response of Government to the adult social care funding gap and greater flexibility around the social care precept.

### **Communities and Local Government (CLG) Committee inquiry**

9. The Board contributed to the LGA response to the CLG inquiry into overview and scrutiny within local government.

### **Business Rates Retention (BRR)**

10. The Board proposed a comprehensive response to two DCLG documents on BRR - '*Self Sufficient Local Government: 100% Business Rates Retention*' and '*Fair Funding Review: Call for Evidence on Needs and Redistribution*'. They highlighted areas where messages needed to be strengthened, in particular the complexities of BRR in Devo deals, the balance between simplicity and fairness, and cyclical impact of growth on BRR levels.
11. The Board also endorsed the LGA lobbying lines around BRR and promoted the importance of clear and comprehensible communications within in sector.

### **Housing White Paper**

12. The Board contributed to the LGA's response to the publication of the Government's Housing White Paper '*Fixing our broken housing market*', and focused on the availability of affordable housing, ability to retain 100 per cent of Right to Buy receipts, duty to prevent homelessness being extended to partners and the importance of retaining decision-making at a local level.

### **Education**

13. The Board endorsed the work of the Children & Young People Board on the Department of Education's review of the council role in education and children's services. They highlighted a number of areas of consideration, including lobbying for a reversal of the planned £600 million cut to the Education Services Grant, the establishment of a duty to cooperate and support for schools and councils to use school improvement funding.

### **Britain's exit from the EU**

14. The Board oversaw the LGA's work on Brexit, including making recommendations on the structures required to deliver the work, monitoring the LGA's Brexit Task and Finish Group and developing the LGA's 'asks', particularly around local government's position within the negotiation strategy for leaving the EU.

### **Devolution**

15. The Board shaped the development of a comprehensive LGA support offer to combined authorities and their elected mayors in the run up to the May 2017 elections. This included provision of practical post-election support, a forum for mayors to shape their own services and support to broker conversations between mayors and government departments.

### **Other lobbying activity**

16. The Board also provided a steer in relation to the LGA's lobbying position and responses to the Private Members Homelessness Reduction Bill, the Bus Services Bill, and the Calais clearance and Refugee Resettlement Programme.

### **LGA Annual Conference**

17. In considering feedback from 2016 LGA Annual Conference, the Board emphasised the importance of diversity amongst the speakers and making adult social care funding prominent in the programme. The Board received drafts and contributed to the final programme for the 2017 Conference.

### **Membership**

18. The Board received regular updates on membership via the Chief Executive's report and in October 2016 agreed to hold subscriptions for a further year.
19. As of 1 April 2017, the LGA's new membership year – all English councils were members of the LGA, with the exception of the London Boroughs of Bromley, Barnet and Wandsworth and Gosport Borough Council. 11 councils were on notice to leave the LGA on 1 April 2017 but this has reduced to nine following decisions by Manchester City Council and Hart District Council to rescind their notice.

### **LGA Political Balance**

20. Following the local government elections on the 4 May 2017, the Leadership Board agreed the new political balance, which forms the basis of the proportionality for the LGA's governance structures for 2017/18. At the point of calculation the Conservatives were the largest group, retaining the Chairmanship of the Association for the 2017/18.

### **Layden House and Local Government House**

21. The Board continued to oversee the refurbishment of Local Government House and Layden House throughout the year, including the funding arrangements, receiving regular updates from LGMB and LGA (Properties) Board and agreeing to reverse the order of the two refurbishment projects to allow staff to decant to Layden House during the refurbishment of Local Government House.

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### **LGA structure and governance**

22. The Board commissioned a Company Structures Task and Finish Group to review the structure of the LGA and its supporting companies, in particular in the light of the refurbishment of the two properties and the tax implications of operating in a more commercial way. The Board received two reports in April and June 2017 and agreed the incorporation of the Association and a number of other changes to the current arrangements. The recommendations were subsequently endorsed by the LGA Executive and approved by General Assembly.
23. In parallel with this work, the Board commissioned a Constitution Task and Finish Group to review and recommend amendments to the LGA Constitution Task Group. In April 2017, the Board endorsed the Task and Finish Group's which were subsequently agreed by the LGA Executive and General Assembly. The Board agreed to review in 12 months whether to amend the LGA's proportionality calculations to include elected mayors of combined authorities.

### **Finance reporting and commercial strategy**

24. The Board retained oversight of internal and external financial decisions and received regular reports on the LGA's financial and investment performance from the Strategic Finance Manager. Members agreed the financial statements for 2016/17 prior to their adoption at the LGA General Assembly on 4 July 2017.
25. The Board has received regular updates from the Commercial Advisory Board and informed the direction of future commercial projects.

### **Public Affairs and communications**

26. The Board reviewed the programme of activities, events, legislation and announcements throughout the year through regular reports from the Public Affairs team. They noted the positive outcomes of campaigns such as #OurDay and the positive reputation of local government leaders in an IPSOS More Trust poll.
27. The Board has contributed to the development and implementation of the LGA's programme of campaigns, recommending maximising use of all media outlets, focusing LGA messages on human interest stories, refining LGA lobbying lines and using regional and local media opportunities by sharing cross-party LGA media briefings with a wider audience.
28. The Board reviewed the annual Perceptions Survey, noted the positive trajectory of the results, and endorsed an action plan which included increased efforts to engage with frontline councillors.

### **LGA Forward Plan**

29. The Board continued to review the Forward Plan of the LGA Executive, Leadership Board and Councillor's Forum on a regular basis to ensure that their respective programmes continued to reflect the main issues for the LGA and for the sector.

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**Potential litigation**

30. The Board has maintained oversight of work by the LGA legal team, in particular oversight of potential litigation entered into by the LGA on behalf of member authorities.

**Conclusion**

31. The LGA Leadership Board has worked on a wide range of issues over the past 12 months. Members are invited to consider any lessons to build into the forward planning and any new ways of working for the Board from 1 September 2017.