

Note of last LGA Executive meeting

Title: LGA Executive
Date: Thursday 15 June 2017
Venue: 5th Floor Conference Suite, 5th Floor (South side), 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	Action
1	<p>Apologies for Absence</p> <p>The LGA Executive noted the apologies listed at <u>Appendix A</u>.</p>	
2	<p>Declarations of Interest</p> <p>There were no declarations of interest.</p> <p>The Chairman offered congratulations to all colleagues who had been re-elected in the recent local elections. On behalf of the LGA he also thanked colleagues who would be stepping down from the LGA Executive: Baroness Coultie of Downe, Cllr Gerald Vernon-Jackson CBE, Mayor Sir Steve Bullock, Cllr Sharon Taylor OBE, Mayor Dorothy Thornhill MBE, and Cllr Neil Clarke MBE.</p> <p>In response to recent terror attacks in Manchester and London, and the fire at Grenfell Tower in Kensington, the Chairman invited councillors representing those areas to provide an update the LGA Executive.</p> <p>Cllr Sue Murphy CBE, Manchester City Council, described the incredible response to the bomb at the Manchester Arena on 22 May. It was a horrible attack which had particularly targeted young people attending a concert, but the response from all local authorities and emergency services had been fantastic, and offers of support from across the country were welcomed. It was noted that some lessons had already been learnt, in that the response could have been more coordinated, and the Government had subsequently set up a support group for victims of terrorism. The response from councils showed the importance of local government as leaders of place.</p> <p>Mayor Sir Steve Bullock echoed Cllr Murphy's comments in response to the terror attack on London Bridge and Borough Market on 3 June. Local authorities and the community had responded commendably and the thoughts of everyone were with the victims. Regarding the fire which had</p>	

destroyed Grenfell Tower in Kensington the previous day, it was still too soon to draw conclusions, but there would be lessons to be learnt for councils. There were still difficulties in identifying who was missing, and all London authorities had offered help to Kensington and Chelsea London Borough Council.

3 Representation of Women in Local Government

The Chairman introduced the report regarding the centenary of suffrage celebrations, which was being led by the Women's Local Government Society, and the LGA's work to identify barriers to women entering politics, encouraging more women to stand, and supporting the anniversary of women's suffrage. The Chairman was a patron of the project and encouraged colleagues to support it as much as possible.

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

- The project was supported by many councillors from all parties, and there would be a stand at the LGA's Annual Conference to publicise it to a wider audience. It was important that women who were thinking about a career in politics or local government knew the support available to them to assist them in their roles and development.
- It was important that barriers to women standing for nomination and election, and progressing to leadership roles, were identified and mitigated against at all levels.
- Some parties had adopted rules to encourage more equal representation, such as the Labour party's aim to get women into 50% of elected positions. This had led to significant progress in the previous 20 years, but there was still more to be done.
- It was suggested that local government compare gender representation against other sectors to see if there could be any lessons learnt.
- The CTS Board would lead work on this area on behalf of the LGA, and would report back when required to do so.

Decision

The LGA Executive **noted** the update.

4 Local Elections and LGA Political Balance 2017-2018

Claire Holloway, Head of Corporate Services, introduced the report which set out the LGA's new political balance and proportionality figures following the recent local elections to be noted by the LGA Executive. Members noted the new proportionality of the LGA's Boards and other governance structures.

Mark Lloyd, Chief Executive, added that the new combined authority elected mayors would not be included in the LGA's political balance for 2018/19, but that this position would be kept under review.

Decisions

The LGA Executive:

- **Noted** the proportionality figures for the 2017/18 meeting year; and
- **Noted** that the elected mayors would not be included in the LGA's political balance for 2018/19, and that this position would be reviewed after a year.

5 Updating the LGA Constitution

As Chair of the Constitution Task and Finish Group which had reviewed the LGA's Constitution over recent months, Mayor Sir Steve Bullock introduced the report, and highlighted that the Group had updated the Constitution to make sure that it accurately reflected the organisation. He recommended that the LGA Executive commend the report to the LGA General Assembly for adoption.

Decision

The LGA Executive **endorsed** the updated Constitution and **commended** it to the LGA General Assembly.

6 2017 Annual Report of the Audit Committee

Sarah Pickup, Deputy Chief Executive, introduced the report and highlighted that the Audit Committee had met the previous day and received the report of the external auditor. The annual report provided an overview of areas which had been reviewed and work undertaken by the Audit Committee in 2016/17, and members noted that the auditor was satisfied with the LGA's responses.

The LGA Executive endorsed the report and thanked the Audit Committee for their work in 2016/17.

Decision

The LGA Executive **agreed** the Audit Committee Annual Report, which would subsequently be presented to the LGA General Assembly on 4 July 2017.

Action

Audit Committee Annual Report to be presented to the LGA General Assembly.

7 Note of last LGA Executive meeting

Decision

The LGA Executive **agreed** the minutes of the meeting held on 2 March 2017.

8 LGA Company Structures: Report of the Company Structures Task and Finish Group

Sarah Pickup, Deputy Chief Executive, introduced the report which set out a recommendation of the LGA's Company Structures Task and Finish Group that the LGA become an unlimited company with changes to the structure of the two property companies that allow a transfer of the properties into an incorporated LGA. An incorporated LGA would also be able to form tax and VAT groups which remove the need to pay tax or VAT on transactions within the group. The proposals would aim to ensure that the LGA is in a position to maximise and make best use of its resources in the interest of member councils and with a view to keep subscriptions down.

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

- Both the incorporated and unincorporated LGA would exist in parallel for a year, and Member councils would be invited to re-join the incorporated LGA. This would minimise risk and allow time to regularise arrangements.
- The Chairman and Vice-Chairs of the Association would form the Board of Directors of the incorporated LGA, with the Chief Executive and Deputy Chief Executive as non-voting members of the Board.
- There would be no change in liability to Member councils, but income provision would be improved.
- When both Local Government House and Layden House had been refurbished, the LGA would be better protected should a future Secretary of State removed top slice funding.
- A full briefing on the background to the issue and detailed answers to questions would be provided to any member on request.

Decisions

The LGA Executive **agreed**, and recommended to the General Assembly, that, subject to the outcome of discussions with HMRC:

- In the interests of its members, the LGA regularise its organisational structure as follows:
 - A new incorporated LGA is set up as an unlimited company to take on the new activities, assets, and liabilities of the existing LGA, with the Chairman and Vice-Chairs of the Association as its Board of Directors;
 - The existing unincorporated LGA remains in place until member councils have formally agreed to join as founding members of the new incorporated entity;
 - LGAP and LGMB are converted to unlimited companies with share capital, with the shares issued to the new incorporated LGA; and
 - The new incorporated LGA forms a tax group with LGMB and LGAP and a VAT group with LGMB, LGAP, and the IDEa.
- The LGA enters into a legally enforceable guarantee agreement with IDEa to underwrite its pension deficit debts; and
- The Constitution is amended to enable the proposed changes to

be effected.

Action

A report and recommendations to be prepared for consideration by the LGA General Assembly on 4 July 2017.

9 Implications of the General Election

The Chairman introduced the report, which set out an early analysis of the issues which the LGA Executive should consider in preparations to engage with the new Government. The LGA's priorities would continue to be the funding gap, adult social care, housing, devolution, industrial strategy, community cohesion and Brexit. Although the priorities remained the same, the LGA would have to consider different ways of working on them with the Government, such as looking at how to influence existing legislation.

In the discussion which followed the following points were raised:

- Alongside the Northern Ireland Local Government Association (NILGA), the LGA should consider closer work with the DUP, who were expected to soon reach agreement with the Conservative party to support them in Parliament.
- The LGA should take a lead role in building consensus across different political parties, particular on areas such as adult social care. Children's social care should also continue to be a priority.
- The LGA should continue to press the Government to bring forward a Housing Bill, as local government was best placed to address the challenges presented by the housing shortage.
- Government Ministers would be looking for ways to address funding issues which would not require changes to legislation, and the LGA should consider this as an opportunity.
- It was hoped that the Government would continue with work on business rates retention for councils, with no new burdens, and the LGA should continue to press for this on behalf of the sector.
- The LGA should continue to argue for devolution to English local authorities following Brexit, and could also offer solutions and strength regarding post-Brexit industrial strategy.
- There should be a stronger message of devolution for England.

Decision

The LGA Executive **agreed** the priorities and tactics set out in the report regarding the direction of the LGA's work in engaging with the new Government.

10 LGA Conference Publication

David Holdstock, Director of Communications, introduced the draft report 'Growing Places: Building local public services for the future' which would be launched at the LGA Annual Conference. Officers had worked with

group leaders on production of the publication, and had shared the draft with SIGs for comment.

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

- Schools funding had played an important part in the recent General Election result, and it was important that the LGA fight strongly for the sector's share of the schools budget.
- Issues around the New Homes Bonus were included in the Fair Funding section of the report.
- As the housing bill was a high priority for the sector it should be included higher on the priority list.
- The recent General Election had highlighted a concerning trend in abuse and disrespect. The LGA should lead work on respect in politics, from local to national government. This would feed into work on reputation of the sector.

Decision

The LGA Executive **agreed** the LGA's publication 'Growing Places: Building local public services for the future' for launch at the LGA Annual Conference and Exhibition 2017, taking into account the comments above.

Action

Report to be redrafted as necessary and launched at the Conference.

Appendix A -Attendance

Position/Role	Councillor	Authority
Lord Gary Porter CBE (Chairman)		South Holland District Council
Cllr David Simmonds CBE (Vice Chairman)		Hillingdon London Borough Council
Cllr Marianne Overton MBE (Vice-Chair)		Lincolnshire County Council
Cllr Gerald Vernon-Jackson CBE (Vice-Chair)		Portsmouth City Council
Cllr Peter Fleming OBE		Sevenoaks District Council
Cllr Sean Anstee		Trafford Metropolitan Borough Council
Cllr Mark Hawthorne MBE		Gloucestershire County Council
Cllr Martin Tett		Buckinghamshire County Council
Cllr Nick Forbes		Newcastle upon Tyne City Council
Cllr Sharon Taylor OBE		Stevenage Borough Council
Mayor Sir Steve Bullock		Lewisham London Borough Council
Cllr Anne Western CBE		Derbyshire County Council
Cllr Sue Murphy CBE		Manchester City Council
Cllr Peter Box CBE		Wakefield Metropolitan District Council
Cllr Simon Blackburn		Blackpool Council
Cllr Richard Watts		Islington Council
Cllr Peter Reeve MBE		Cambridgeshire County Council
Cllr Ian Stephens		Isle of Wight Council
Cllr Tom Fitzpatrick		East of England Local Government Association (EELGA)
Cllr John Hart		South West Councils

Cllr Nicholas Rushton
Cllr Roger Lawrence
Cllr Paul Carter CBE
Cllr Neil Clarke MBE

East Midlands Councils
West Midlands LGA
County Councils Network (CCN)
District Councils Network

Cllr Kate Haigh
Cllr Michael Payne

Gloucester City Council
Gedling Borough Council

Apologies:

Baroness Coultie of Downe Philippa Coultie	Westminster City Council
Cllr Colin Noble	Suffolk County Council
Cllr Izzi Seccombe OBE	Warwickshire County Council and Community Wellbeing Board
Cllr William Nunn	Breckland Council
Cllr Claire Kober OBE	Haringey LB and Resources Board
Sir Richard Leese CBE	Manchester City Council and City Regions Board
Vacancy	Independent Group
Mayor Dorothy Thornhill MBE	Watford Borough Council
Cllr Chris White	Hertfordshire County Council
Cllr Nicolas Heslop	South East England Councils (SEEC)
Cllr Stephen Parnaby OBE	Local Government Yorkshire and Humber (LGYH)
Cllr Paul Watson	Association of North East Councils
Cllr Barrie Grunewald	North West Regional Leaders Board
Cllr Aaron Shotton	Welsh Local Government Assoc. (WLGA)
Sir Stephen Houghton CBE	SIGOMA
Alderman Sir David Wootton	Local Partnerships