

18 October 2017

Chief Executive's Report – October 2017

Purpose

For discussion and direction.

Summary

The LGA business plan for 2017/18 centres on six external priorities:

- Britain's exit from the EU;
- Devolution and funding for local government;
- Inclusive growth, jobs and housing;
- Children, education and schools;
- Adult social care and health; and
- Supporting councils.

Part 1 of the six-weekly Chief Executive's report sets out the LGA's main achievements against those priorities. Part two focusses on our internal priority – *a single voice for local government* - including membership and our media outreach activities.

Recommendation

That the LGA Leadership Board notes the Chief Executive's report for October 2017.

Action

As directed by members.

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Chief Executive's Report – October 2017

Achievements against our seven external priorities

Priority 1 – Britain's exit from the EU

- 1.1. [Beyond Brexit: Future of funding currently sourced from the EU](#): we published our discussion document on successor arrangements for regional funds currently sourced from the EU. The deadline for comments has now passed.
- 1.2. [EU \(Withdrawal\) Bill Briefing](#): The EU (Withdrawal) Bill received its Second Reading in the House of Commons. We briefed MPs ahead of the debates, emphasising that local government must retain its advisory role in law-making, as well as a role in designing a successor regional funding scheme following our exit. The bill passed unamended and will enter Committee Stage shortly.
- 1.3. **DExEU Ministerial Meetings**: representatives of the four regional local government associations met recently with DExEU Parliamentary Under Secretaries Robin Walker & Steve Baker MPs as part of our 'seat around the table'. This will continue on a quarterly basis.
- 1.4. **Staffordshire Regional Sounding Board**: LGA, DCLG and Staffordshire County Council colleagues joint hosted a regional sounding board on 29th September to discuss the risks and opportunities of Brexit. This was attend by a range of stakeholders and will inform Government's work on the negotiations.

Priority 2 – Devolution and funding for Local Government

- 2.1 **Support to Combined Authorities (CAs)** : we have continued our support for CAs and have begun conversations with two areas to roll out the self-evaluation diagnostic tool. Work also progressed on CA themed groups for; finance, planning, transport and employment and skills as requested by CA CEX network with dates for first meetings scheduled. A meeting of the CA CEX network was hosted by GMCA on 28 September with a focus on Public Service Reform.
- 2.2 **Support to elected mayors**: we are preparing for the next LGA mayoral forum which will be hosted by Mayor Andy Street of WMCA at Birmingham University to be attended by senior civil servants from across a number of Whitehall departments.
- 2.3 **Leading Places**: Phase 2 of the Leading Places programme is underway in fifteen partnership areas. LGA officers met with DfE and BEIS to discuss the programme and initial discussions are due to begin with HEFCE and Universities UK on opportunities for further collaboration from April 2018.
- 2.4 **Local Growth Academy**: LGA officers have delivered policy update sessions at recent modules of the Local Growth Academy, focusing on devolution, Brexit and the industrial strategy. In recognition of this contribution, HEFCE have offered free places to LGA member councils at upcoming modules of the Academy and promotion through LGA channels will follow shortly.
- 2.5 **Autumn Budget**: we made our official submission to the Government's 2017 Autumn Budget process, cleared by the LGA's Leadership, Board, Executive and Lead Members of the Resources Board. Officers will produce an on-the-day briefing after the Chancellor delivers the Budget on 22 November.
- 2.6 **2018/19 Local Government Finance Settlement**: Officers have prepared a draft response to the Government's technical consultation which is tabled for comments at the meeting of the Leadership Board today and Executive tomorrow.

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- 2.7 **Business Rates Retention:** LGA and DCLG reconvened the officer-led Business Rates Retention Steering Group on 3 October. In its meeting the Group discussed the next steps in the reform programme, including a consideration of actions that could be taken without primary legislation in the short term, and what would require primary legislation in the longer term. It was decided to reconvene the systems design working group and continue other work through the Steering Group. The papers for the meeting are available on the [business rates hub](#).
- 2.8 **Fair Funding Review:** The technical working group met on 29 September. Discussions focussed on how best to reflect differences in the costs of providing services in rural and urban areas, as well as how to measure relative deprivation in the absence of many benefit indicators previously used due to the introduction of Universal Credit. Papers are published on our business rates retention [hub](#). LGA officers are also organising a local government officer session to discuss the Fair Funding Review.
- 2.9 **Business Rates Reliefs:** We have worked with DCLG and local authorities to develop a better understanding of the status of implementation of the three business rate relief schemes announced in Spring Budget 2017. At the time of writing, we expect the Government to publish a list of councils that have implemented all three reliefs shortly.
- 2.10 **Business Rates:** We hosted and chaired a workshop for the Valuation Office Agency and local authorities to discuss ways in which the VOA can improve its engagement with the sector on business rates and council tax.
- 2.11 **CIPFA Consultation on the Prudential Code for capital finance and Treasury Management Code:** We responded to the CIPFA consultation on this important area setting the framework for councils' capital financing and investments. The [LGA's response](#) was approved by the Resources Board in September.
- 2.12 **ONS consultation on Sub National Public Sector Finances:** Through this [consultation](#), the Government sought feedback on a [scoping study](#) by the Office of National Statistics exploring data sources such as HMRC tax data and DWP benefit payments as well as local authority income and expenditure for public sector finances below country and regional level, including at local authority level in some cases. Resources Board lead members approved a [response](#) on behalf of the LGA emphasising that robust and comprehensive public sector financial statistics for all public sector bodies at the local level would lead to a better understanding of the totality of public expenditure.
- 2.13 **Children's Services research** from Newton Europe has been commissioned by the LGA - aiming to better understand variations in local spending on children's services using a sample of local authorities. The output of this work will have a range of valuable practical applications, including informing a future children's services finance diagnostic offer to the sector.

Priority 3 – Inclusive Growth, Jobs and Housing

- 3.1 **Universal Credit:** the Government have [announced](#) their plans to proceed with the expansion of Universal Credit (UC). Along with the WLGA and COSLA, we wrote to the UC Programme Board last month setting out a number of concerns from local government. We will continue to press the DWP to address these issues and provide full funding to councils for their responsibilities. We are also seeking a dialogue between councils and DWP on the delivery partnership between UC and local Housing Benefit administration. Recent research published by the LGA has highlighted the growing discrepancy between housing costs and income from benefits and employment. We are drawing on that research to bring together DWP and DCLG to ensure there is greater join-up between welfare policy and housing policy.
- 3.2 **Roadworks:** the Government are [consulting](#) on whether to keep existing roadwork lane rental schemes and allow other authorities to adopt their own schemes, and introducing 'super permits' as an alternative option. The LGA has been calling for the availability of lane rental powers for all councils for a number of

years. The Government is favourable to our calls and acknowledged the success of pilot schemes in London and Kent.

- 3.3 **Housing our ageing population:** we launched a [report and supporting resources](#) supporting councils to plan and deliver homes meeting the needs of our ageing population, and to integrate housing into health and social care provision. We worked with 10 councils to understand their different strategies and gained significant media attention. Over 90 delegates attended the launch event.
- 3.4 **House price rises:** we have launched [analysis](#) looking at the increase in house prices compared to incomes around different parts of the country. We called for a redefinition of affordable housing to match what households can afford, and will take this forward with the Government.
- 3.5 **National Audit Office Homelessness report:** we worked with the NAO on the development of the inquiry whose final report reflected many of the findings and concerns of councils.
- 3.6 **Planning consultation:** we produced an on the day response to consultation on local housing need formula and the LGA will be engaging with councils and partners in developing a response ahead of the November deadline.
- 3.7 **LGA/DCLG Housing Sounding Board:** we held first meeting of the council chief executive housing sounding board with DCLG, the discussion focused on council's ambitions to build more affordable homes and how they can be enabled to deliver this. The meeting was positive and a forward programme of activity is now being agreed.
- 3.8 **Party conferences:** we hosted debates at the autumn party conferences on the skills gap and how the LGA's Work Local vision can transform local training and employment services. In her speech to conference, the Prime Minister announced plans to provide an additional £2 billion to the Affordable Housing Programme, to encourage the building of new council homes. A return to social rent increases of CPI+1 per cent for five years from 2020 was also confirmed, following four years of rent reductions. Our analysis found that this is equivalent to an extra £1.3 billion by 2024/25, when compared to a cash terms rent freeze. In our [response](#) we welcomed the additional funding, saying we hope this signals a shift in the Government's vision for housing.

Priority 4 – Children, education and schools

- 4.1 **County Lines:** the Children and Young People Board received a presentation from the Children's Society on County Lines, where urban gangs and organised crime groups extend drug dealing activities beyond their urban area into suburban, market and/or coastal towns using dedicated phone or "deal" lines. This issue will now be taken forward as a priority for the CYP Board in conjunction with the Safer and Stronger Communities Board, and guidance will be developed for councillors through a Modern Slavery Guide and a Youth Justice Resource Pack.
- 4.2 **European Federation of Education Employers (EFEE):** the LGA, working with the EFEE and the London Borough of Hackney, delivered a seminar on promoting social inclusion and achieving high quality education. It was attended by delegates from across Europe and provided an opportunity to discuss a range of topics including how to foster education of disadvantaged children and young people, the creation of inclusive school environments and; how to promote social inclusion.
- 4.3 **Youth justice:** Cllr Richard Watts, Chair of the Children and Young People Board, has written to Charlie Taylor, Chair of the Youth Justice Board, to express concern over the safety of those in youth custody. This was followed by our press release calling for an action plan from Her Majesty's Prison and Probation Service to address the problem swiftly. Officers have also met with the Youth Justice Board to raise the issue.

Priority 5 – Adult Social Care and health

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- 5.1 **Better Care Fund:** we continue to support councils in areas where targets on delayed transfers of care (DTocS) are impacting the agreement of Better Care Fund (BCF) plans. Lord Porter and Cllr Izzi Seccombe, met with the Secretary of State for Health and the Secretary of State for Communities and Local Government to discuss this issue and we continue to raise concerns on at both Ministerial and official level.
- 5.2 **Health and Homelessness:** we launched a publication providing exploring the link between homelessness and poor health outcomes and where councils are making an impact.
- 5.3 **Sleep-ins:** on 28 September, the Government announced a further one month suspension to HMRC enforcement activity in relation to sleep-ins back-payments. During this extended pause, the Government intends to conduct more work with the sector to understand the potential costs involved. The LGA continues to highlight the potential of sleep-ins to further destabilise and already fragile provider market and is calling on Government to provide new funding to cover historic and future costs.
- 5.4 **Deferred payment scheme:** We briefed MPs ahead of a debate on the deferred payment scheme for funding older people's care, highlighting the funding gap facing adult social care, and councils' role in providing information to people paying for care.

Priority 6 – Supporting Councils

- 6.1 **Grenfell:** we continue to support councils engaged in the Building Safety Programme and we are working with DCLG to ensure that councils are kept up to date with developments for public and private sector buildings. In particular we continue to push for clarity on the powers councils may have in relation to private sector buildings and any remedial work needed to them. Members of the Building Safety Task and Finish Group have held their first meeting to co-ordinate this work, and to consider the draft LGA response to Dame Judith Hackitt's review of building regulations and fire safety.
- 6.2 **[Evaluation of our Political Leadership Development Offer:](#)** we recently launched these research findings that demonstrate the impact of this offer. 96 per cent of respondents said they felt more confident in their role as a councillor having taken part in our programmes. Participants also find our Leadership programmes of real benefit more generally – improving leadership, partnership working and communication skills and boosting their confidence in their role as councillors.
- 6.3 **[Next Generation Programme:](#)** we have placed 67 councillors on this year's programme, following a competitive application process to secure a place. The programme will run from October 2017 to March 2018.
- 6.4 **Political leadership programme take up:** Over 740 delegates have so far registered this financial year to attend our political leadership programmes, putting us on track to break our previous records. So far this financial year, 237 authorities have registered - a new record for this time of the year of the programme.
- 6.5 **[Behavioural Insights:](#)** we have launched this webpage to provide councils with information on what behavioural insights is and how it can be used practically in councils' work. We are also encouraging councils to apply for the next phase of our behavioural insights [funding programme](#), applications for which close on 10 November 2017.
- 6.6 **[Expansion of the One Public Estate \(OPE\) programme and funding:](#)** OPE is partnering with DCLG's new £45m Land Release fund to support councils to release their land for housing development. New and existing OPE areas are applying for up to £500k grant funding, and our expanded offer introduces a repayable grant of up to £500k and additional support through a new expert panel.

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- 6.7 [Latest triannual polling of resident satisfaction \(September 2017\)](#): the latest results show once again a strong level of satisfaction with one's local area as a place to live (81 per cent of respondents agreed). Again, similar to the last three years, 66 per cent of respondents were satisfied with the way their local council runs things, and 60 per cent said they trusted their council 'a great deal' or 'fair amount' (the polling average is 61 per cent). We've also launched [Understanding the views of residents: an introduction to surveys and consultation](#), particularly for communications officers.
- 6.8 [LG Inform developments](#): LG Inform provides easy access to up-to-date published data about your local area and the performance of your council and fire and rescue service. Over the summer, we built in various new practical features and reached the landmark 1,000,000 page views. Our new [fly-tipping report](#) exemplifies what LG Inform can offer, and has been viewed almost 2,000 views since its launch.
- 6.9 [Public Sector Audit Appointments \(PSAA\)](#): PSAA is consulting on auditor appointments to each council, and will confirm these by 31 December 2017
- 6.10 **Support for library services**: As part of our contribution to the Libraries Taskforce, we published a new [strategic planning and needs mapping tool](#) to help library services to identify local needs and develop a strategy for addressing them. We have also developed a sector-led [benchmarking framework](#) to help library services to assess their performance against best practice and identify areas for further improvement.

Internal Priority – A single voice for local government

LGA Membership

7. The total number of councils on notice remains at nine. These are;
- West Sussex County Council
 - East Staffordshire Borough Council
 - London Borough of Richmond
 - Hartlepool Borough Council
 - Surrey County Council
 - Leicestershire County Council
 - Essex County Council
 - Lincolnshire County Council
 - Southend Borough Council
8. Four councils remain out of membership – the London Boroughs of Bromley, Wandsworth and Barnet and Gosport Borough Council.

Membership visits by the Strategic Management Team:

Chief Executive's Membership Visits	
<i>14 September – 18 October 2017</i>	
18 September	Lincolnshire County Council
19 September	Royal Borough of Kensington and Chelsea
28 September	Combined Authority Chief Executive Network
5 October	Yorkshire and Humber Chief Executives
12 October	Berkshire Chief Executives
<i>Forward plan: 19 October – 7 December 2017</i>	
9 November	Leicestershire County Council
16 November	Norfolk Chief Executives
23 November	Association of County Chief Executives and Society of Metropolitan Chief Executives
Deputy Chief Executive's Membership Visits	
<i>Forward plan: 19 October – 7 December 2017</i>	
30 October	Hertfordshire County Council
6 November	Surrey County Council
Director of Communication's Membership Visits	
<i>Forward plan: 19 October – 7 December 2017</i>	
2 November	Hillingdon

Media and Public Affairs

9. In September and October the LGA was active across the party conferences, hosting debates and providing speakers for a range of roundtables and discussions. Our Chairman, Group Leaders and councillors spoke at over 60 events hosted by 50 stakeholders, on issues such as housing, health and social care, and education.

Devolution and funding for local government
'Devolution deadlock' putting economic growth across England at risk (BBC Online, Sky News Online, i paper, Mirror)
Councils count cost as walkers rush to record rights of way (Sunday Telegraph)
How cash-strapped councils turn to crowdfunding (Guardian)
How will councils survive the funding abyss? (Guardian)
Ministers must admit that the health service can't cope (Guardian)
NHS winter fears (Guardian Online, Sun Online)
One in 7 will have to sell up to retire (Express)
Welfare reforms – mention (BBC Newspaper review, Sky Newspaper review, Independent Online, LBC, Sky News Radio, BBC Radio 5 Live, TalkRadio, TalkSport, BBC Radio 4, BBC News)
One in four care workers say cuts are leaving vulnerable patients bereft of dignity (Mail)
Inclusive growth, jobs, housing
£1 billion of taxpayers' money is subsidising planning applications, councils claim (Independent Online, Telegraph, Talk Radio, Talk Sport, Sky News Radio, LBC)
Existing taxi legislation leaves authorities unable to properly regulate the industry (Times)
Better off areas asked to build up to 40% more homes (BBC Online)
Councils to be allowed to charge for road closures (BBC Breakfast, BBC Radio 2, BBC Radio 4 Today, BBC News, Telegraph, Times, Mail Online, ITV Online, Independent Online)
Cllr Martin Tett on homelessness (BBC News, ITV Online, Channel 5 News)
Cllr Martin Tett on councils being allowed to charge for road closures (LBC, Sky News Radio, TalkRadio)
Cllr Martin Tett on need for more specialist homes for elderly (BBC Radio 4 You and Yours)
Cllr Nick Forbes on housing crisis (BBC Radio 4 Today programme)
Homelessness (Guardian, BBC Online, Mail Online, Independent Online, BBC Radio 5 Live)
Cllr Peter Fleming on need for more specialist homes for the elderly (LBC)
Home ownership by 25-year-olds halve in 20 years (BBC Online)
Children, education, schools
LGA concerns about 30 hours free childcare scheme (Observer)
£2 billion funding crisis facing children's services (BBC Online, Talk Radio)
Cllr David Simmonds on 30 hours' childcare (BBC Newsnight)
Cllr David Simmonds on school places shortage (BBC Radio 4 Today)
Cllr Peter Fleming on youth offender safety (LBC)
Cllr Richard Watts on school places shortage (Good Morning Britain, BBC News channel, Sky News Radio)

Cllr Richard Watts on youth offender safety (TalkRadio)
Cost to councils of funding refugee child care (Mail)
Councils call for urgent action to improve youth offender safety (Sky News, ITV Online, Independent, Times)
Secondary school places crisis – almost half of councils areas face shortfall in five years (Times, Times Online, BBC Online, Mail, Sun, Mirror, Express Independent Online, Mail Online, TalkSport, TalkRadio, LBC, BBC Radio 5 Live)
Details about young refugees not adequate (Sky News Online)
Government orders review of school transport services (BBC Online, BBC Radio 5 Live)
National Funding Formula for Schools –LGA response (BBC Online)
Adult social care and health
Amazon Echoes will help elderly take medication (Telegraph)
Sexual health services at “tipping point “ (i paper)
Social care system for elderly not fit for purpose, say MPs (Express)
Cllr Izzi Secombe on homecare (BBC Radio 4 You and Yours)
Drop in suicide rate (Guardian, Mail Online)
Government accused of cutting £43 m from drug and alcohol services (Independent Online)
Community Care survey on social care cuts –LGA response (Independent Online)
Elderly patients face becoming sicker if they are rushed out of hospital in NHS drive to empty beds (Times)
Local pharmacies could do more (Guardian)
Dementia patients not receiving specialist care -£2.3 bn social funding gap (Independent Online)
Senior doctors warn of hospital closures in NHS shake up –STP survey by LGA (Observer)
Supporting councils
Back to work helps tackle pay gap (BBC Online, Express)
Councils call for restrictions on gambling advertising (Mail, Telegraph, i paper, TalkSport)
Councils call for display of food hygiene ratings to be mandatory (Telegraph, Mail, BBC Online, i paper, Express Online, Guardian Online, ITV Online, BBC Radio 4, BBC Breakfast, BBC Radio 4 Today, BBC Radio 1, BBC News)
Cllr Marianne Overton on gambling advertising (LBC)
Cllr Peter Fleming on gambling advertising (Sky News Radio)
Cllr Peter Fleming on call for display of food hygiene ratings to be mandatory (BBC Radio 5 Live)
Food safety testing (BBC Radio 4 You and Yours)
LGA calls on cladding fire testing process (Sky News Online)