

Note of last LGA Leadership Board meeting

Title: LGA Leadership Board
Date: Wednesday 12 September 2018
Venue: Smith Square 1&2, Ground Floor, 18 Smith Square, London, SW1P 3HZ

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 Howard Sykes MBE, Cllr Paul Carter CBE, Cllr Michael Payne, and Cllr Anne Western CBE.

No declarations of interest were made.

2 Brexit Update

Cllr Kevin Bentley, Chairman of the LGA's Brexit Task Force, introduced the report. He explained that there was an urgent need to clarify if EU nationals could stand for election and would have voting rights in the local elections in May 2019. It was disappointing that the Government had not been able to provide clarity on the issue.

Confirmation had been given that, under a no deal scenario, the Government would guarantee structural funds to local government from the Treasury. The LGA had made a vital but more general point that local authorities could not take any additional burdens from new or anticipated responsibilities after Brexit without new resources.

In the discussion which followed Members raised the following points:

- It would be useful for Members to have a clearer idea of what was required from meetings with Government. It was also important to put all points in writing afterwards so all sides knew what was agreed and what further action would be taken.
- Members discussed communications work around the voting rights issues.
- Members agreed that it would be in the interest of communities for continuity in the local elections immediately after Brexit, with EU nationals to continue to have voting rights, and be able to stand in local elections in May 2019, even if this was not a reciprocal arrangement with the EU. It was suggested that the LGA should set this out as the solution.
- It was suggested that if clarity was not provided from the Government within two

weeks, a public statement needed to be made to highlight the issue. At this stage it would be six months until nominations opened for the local elections, and the issue would become even more important to Member authorities.

- It was also highlighted that there were a large number of EU nationals in the local government workforce, particularly in Adult Social Care, who would benefit from clarity and confidence on their employment terms.

Decision

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

Action

A letter requesting clarification on the issue of EU nationals voting and standing in local elections in May 2019 be written to the Secretary of State, and a media strategy on the issue also be considered. (**Ian Hughes**).

3 LGA Business Plan

Mark Lloyd, Chief Executive, introduced the report which presented the LGA's draft Business Plan for 2018/19 which had been updated to reflect the latest priorities for the LGA and its agreed work plans. In particular he highlighted that 'Funding for Local Government' now was a separate priority, 'Inclusive Growth, Jobs and Devolution' had been grouped together, and 'Housing' was also a new separate item. The paper set out how the new Business Plan would be implemented once agreed by the Leadership Board, LGA Executive, and Group Leaders.

In the discussion which followed the following points were raised:

- It was highlighted that the Business Plan could be more confident about the role of councils. There should be more clarity on the ambition of local government to create a vibrant and thriving democracy. Regarding councils' leadership, the tone should be positive.
- Consider whether the ordering reflects relative priority.
- It was also suggested that devolution should be further promoted within the Britain's exit from the EU priority, given the importance of devolving powers from Brussels to local areas.
- Regarding housing, there was a view that the priority could be expanded beyond building houses to the wider priority of creating great places to live. There should be more focus on councils' role in shaping and protecting communities, provision of the right facilities and services, housing for older people, greater emphasis on planning to shape future communities. Homelessness and welfare reform should be separated into two bullet points.
- There should be greater focus on mental health within the children, schools and education section.
- Regarding the growth agenda, there should be greater emphasis on councils' economic leadership role on all aspects of business growth.

Decision

The LGA Leadership Board **agreed** to present the draft 2018/19 Business Plan, along with the comments made, for further discussion at LGA Executive on 13 September 2018.

Action

Business Plan to be amended following comments from the Leadership Board and LGA Executive, and to be submitted for final sign off by the Chairman and Group Leaders

(Claire Holloway).

4 Local Government Finance Settlement 2019 to 2020: Technical Consultation

Nicola Morton, Head of Local Government Finance, introduced the report which set out the key points in the Government's technical consultation on the 2019/20 local government finance settlement, and presented the LGA's draft response to the consultation for comment.

It was noted that the response had been drafted along existing policy lines and in particular drew attention to the funding gap facing local government in 2019/20 and 2025, and the lack of clarity for local authorities from April 2020, as the outcome of the Spending Review was not yet known. For councils who were impacted by negative RSG, the consultation did include a proposal to cancel the adjustment to top-ups and tariffs, meaning that negative RSG would be paid for by central government resources. However there were also proposals to increase the New Homes Bonus threshold based on levels of housing growth; the response commented that the threshold should not be increased, as this could mean that housebuilding schemes and other projects could be stalled when this was such a vital issue facing the country.

During the discussion on the consultation it was agreed to include a comment that council tax is not the whole solution because it raises different amounts of money in different authorities.

Following comments from the Leadership Board, the draft response to the consultation would also be considered by the LGA Executive on 13 September and the Resources Board on 14 September prior to submission.

Regarding councils charging for certain services, and raising tourist taxes, it was confirmed that these issues were not part of the settlement consultation but would be part of the Autumn Budget submission.

Decision

The LGA Leadership Board **agreed** that the LGA's response to the consultation be forwarded to MHCLG, subject to comments from the LGA Executive and the Resources Board.

5 Fair Funding Review and Business Rates Retention Update

Nicola Morton, Head of Local Government Finance, introduced the report which provided an update on the LGA's progress on the Fair Funding Review and Business Rates Retention reform since the previous meeting in July. Members noted that LGFutures had been commissioned to deliver a Business Rates Retention model, which would enable officers to vary design choices based on resets, tier splits, and other variables. This would be presented to the Task and Finish Group on Thursday. LGFutures had also been commissioned to produce a report and a model on transition. It was proposed that this model and the Business Rates Retention model be cleared through the Task and Finish group, and then by the Chairman and Group Leaders before it was published. The paper on transition would be considered by the Leadership Board at a future meeting.

The Fair Funding Review consultation was expected any time up until the provisional settlement. A consultation on business rates retention is expected later in the year.

On Business Rates Retention, the Government had published a prospectus inviting bids to become 75 per cent retention pilots. An event was held earlier in the month for authorities who were looking to become pilot areas.

In the discussion which followed the following points were raised:

- In response to a question on the business rates retention model, it was confirmed that the model would allow officers to vary the percentage which is retained (75 per cent, 100 per cent, etc).
- It was confirmed that it was LGA policy for councils to receive full business rates retention, but that this was not possible without primary legislation.
- It was suggested that to strengthen the local government case for the Fair Funding review it would be good to ask a critical audience if the points raised would stand up to scrutiny, as a number of MPs did not see the need for local government to receive any more funding.
- Variation in spend would be considered as part of the LGA's work on the Spending Review.
- It would not be known which authorities had applied to be pilot areas until the Government had received all pilot applications, but there had been a great deal of interest across the sector on the basis of attendance at the recent LGA / MHCLG event on pilots.

Decision

The LGA leadership Board **noted** the update and **agreed** to the procedure for signing off the transition work and the business rates retention model, as outlined in the report.

6 Chief Executive's Report - September 2018

Mark Lloyd, Chief Executive introduced the report which set out the LGA's main achievements against the Business Plan since the last meeting in July 2018. He drew particular attention to the LGA's Adult Social Care Green Paper, which had been launched over the summer and thanked all colleagues across the organisation who had worked on the publication. Over 200 responses had been received so far from a range of organisations and stakeholders, and he invited Members to attend a briefing on the Green Paper for parliamentarians which would be held later in the day.

In addition to the Green Paper, Members noted work which had been undertaken regarding the forthcoming Autumn Budget; the LEP review; joint work with MHCLG on building safety; work with councils on cyber security; a new work stream in partnership with DHSC on childhood obesity; and the LGA's activity on a number of NHS work streams on how additional funding would be used.

Decision

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

7 LGA Forward Plan

The Chairman 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.

8 Note of the last Leadership Board meeting

Decision

The LGA Leadership Board **agreed** the minutes of the previous meeting held on 18 July 2018.

9 Spending Review Update and Autumn Budget Submission

Sarah Pickup, Deputy Chief Executive, introduced the report which provided an update on the LGA's planned activity ahead of the 2019 Spending Review and asked for Members' views regarding the outline content of the LGA's 2018 Autumn Budget submission.

Decision

The LGA Leadership Board **noted** the report and **commented** on the 2018 Autumn Budget submission outline as set out in the report.

Action

2018 Autumn Budget submission to be updated in line with Members' comments following consideration by the Leadership Board and the LGA Executive. (**Sarah Pickup**).

10 LGA Annual Conference and Exhibition

David Holdstock, Director of Communications, introduced the report which provided a summary of activity and feedback from the LGA Annual Conference and Exhibition 2018. Members were asked to provide any further feedback, and comment on the direction and content of the 2019 Annual Conference and Exhibition.

Decision

The LGA Leadership Board:

- a) **Noted** the summary of activity and feedback from the 2018 LGA Annual Conference and Exhibition; and
- b) **Commented** on the direction for the 2019 LGA Annual Conference and Exhibition.

11 Layden House Refurbishment

Claire Holloway, Head of Corporate Services, introduced the report, which provided an update on the Layden House refurbishment project, including the timescale, budget and other outstanding issues.

Decision

The LGA Leadership Board **noted** the latest position on the refurbishment of Layden House, including the timetable and cost plan.

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-Chairman	Cllr James Jamieson	Central Bedfordshire Council
	Cllr Marianne Overton MBE	Lincolnshire County Council
Deputy Chairmen	Cllr Izzi Seccombe OBE	Warwickshire County Council
	Cllr David Simmonds CBE	Hillingdon London Borough Council
	Cllr Robert Alden	Birmingham City Council
	Cllr Lib Peck	Lambeth London Borough Council
	Cllr Peter Box CBE	Wakefield Metropolitan District Council
	Cllr Ruth Dombey OBE	Sutton London Borough Council
	Cllr Clive Woodbridge	Epsom and Ewell Borough Council
Apologies	Cllr Howard Sykes MBE	Oldham Metropolitan Borough Council
	Cllr Paul Carter CBE	Kent County Council
	Cllr Michael Payne	Gedling Borough Council
	Cllr Anne Western CBE	Derbyshire County Council