

20 January 2015

LGA Business Plan 2015/16

Purpose

For discussion and direction.

Summary

This report invites members' comments on the development of the LGA Business Plan for 2015/16.

Recommendation

The Improvement and Innovation Board are invited to comment on and approve the contribution to the LGA Business Plan 2015/16 on sector-led support, improvement and innovation, attached at **Appendix A**.

Action

Officers to develop the business plan as necessary in the light of members' comments.

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LGA Business Plan 2015/16

Background

1. The LGA's Business Plan for 2014/15 sets out priorities for the organisation, which are based on those issues that matter most to our membership. For 2014/15 the three top priorities for local government are:
 - 1.1 **funding for local government** – reform of the finance system so councils have confidence their financing is sustainable and fair, opportunities to raise more funds locally, and greater ability to promote collective working across local public services
 - 1.2 **economic growth, jobs and prosperity** – councils are recognised as central to revitalising local economies
 - 1.3 **public service reform** – independent councils are at the centre, and seen to be at the centre, of public service reform, delivering more effective services for local people and holding other providers to account.

A copy of the Business Plan is accessible here

http://www.local.gov.uk/documents/10180/12129/L14-99+LGA+business+plan+2014-15_A5_v13/4391618f-454e-406c-ba8c-6d5dadf5da56.

2. At the LGA Leadership Board in October 2014, members considered the LGA's direction of travel for 2015/16 and agreed that in addition to the current three top level priorities, the LGA should now also signal that it will be focusing on:
 - 2.1 devolution - given developments following the Scottish referendum
 - 2.2 sector-led support, improvement and innovation (the direct support we provide to councils) in view of some of the significant reputational and performance issues for councils that have emerged in recent months (rather than this being presented as part of our underlying core offer).
3. Members also agreed the outline budget framework for next year, in which resources are broadly allocated as for 2014/15.
4. The Improvement and Innovation Board is therefore invited to agree an appropriate contribution to the Business Plan for 2015/16. A draft is attached at **Appendix A**. This has been drafted in the light of the priorities agreed by the Board at the last meeting and has been structured around the Board's five priority themes. In addition, because this activity is funded through Revenue Support Grant (RSG) top slice, it closely mirrors relevant parts of the top slice submission for 2015/16 and includes an indication of the scale of activities to be provided.
5. Members will be aware that on 17 December 2014, Eric Pickles MP announced, as part of the provisional local government finance settlement that DCLG intend to provide a

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grant of £23.4 million to the IDeA to deliver effective support to councils. The SoS also announced that they intend to explore how the budget given for improvement services can be opened up to competition. The IDeA Board and LGA's Leadership Board will be considering the implications of this announcement at their meetings this month.

Next steps

6. An outline LGA Business Plan for 2015/16 is currently being prepared for final approval by the Leadership Board and LGA Executive in March 2015.

Financial Implications

7. The level of top slice funding for 2015/16 represents a reduction of £2.5million from 2014/15 but is in line with expectations. The budget strategy adopted at the start of 2014/15 assumed a reduction of this quantum for 2015/16.