

## **Chief Executive's Report**

### **Purpose of report**

For discussion.

### **Summary**

The Chief Executive's September report sets out what we have achieved over the past month in support of the five priorities of the LG Group business plan.

- Reputation
- Innovation and value for money
- Local Democracy
- Economy
- Customer service

### **Recommendation**

Members are invited to note the report

### **Action**

Group Offices and communications officers to disseminate the report and its contacts amongst our membership

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## **Chief Executive's Monthly Report - September**

### **Background**

1. The LG Group works together to support, promote and improve local government. The Group has established a business plan which sets out five priorities for the year, against which we plan and manage our resources and our services:
  - 1.1 Reputation
  - 1.2 Innovation and value for money
  - 1.3 Local Democracy
  - 1.4 Economy
  - 1.5 Customer service
2. The monthly Chief Executive's report sets out what we have achieved each month in support of those five priorities.

### **Reputation**

#### **Support on key reputational issues**

3. The LG Group has continued to engage with the local government sector in order to develop its position on the proposals in the **NHS White Paper**. We have shared our key messages with councils through our new 'health and wellbeing' web page and through a number of engagement events. The recent stakeholder engagement event, organised by the Department of Health and hosted by LGA, attracted over 90 people, including senior elected members and officers from councils, to discuss the proposals and the implications for local authorities.
4. In response to district councils' request for further information on **safeguarding adults**, LGID has produced a briefing for councillors - 'The role of District Councils in safeguarding Adults'.
5. Cllr Gerald Vernon-Jackson and Baroness Ritchie had a positive meeting with Education Secretary Michael Gove on 29 September to take forward discussions on the future role of **councils in education**. LGA representatives made proposals for a strong role for councils in education, in line with the proposals set out in our report 'Local freedom or central control?' The Secretary of State agreed to reflect on the LGA proposals and consider them in more detail in the next round of

meetings of the **Ministerial Advisory Group**. He agreed to work closely with the LG Group during the drafting of the white paper on Education, now expected in November.

6. The LGA met officials from CLG and Race Online 2012, chaired by Martha Lane Fox, to discuss the LGA's response to the Networked Nation manifesto. The campaign aims to tackle **digital inclusion** and get as many new people online as possible by the Olympic year. Discussions emphasised the role of the LG Group in sharing good practice, the work already underway to use online technology to transform service delivery, and that local councils are the best judge of where its priorities on digital inclusion should lie.
7. The government commissioned Lord Young to do a review of **health and safety laws**. LG Regulation has met with Lord Young to discuss the issue. The report is expected shortly and a report will be tabled at the Safer Communities Programme Board meeting to discuss implications for councils.
8. The LG Group has responded to the Home Office proposals to **rebalance the Licensing Act**. The majority of the proposals will be introduced via the Police Reform and Social Responsibility Bill, due to be introduced into Parliament early in the first session. Implementation will be subject to Parliamentary passage of the Bill and the date for Royal Assent has yet to be confirmed. Whilst some proposed changes will be within the primary legislation, others will require secondary regulations and changes to the s182 guidance.
9. The Home Office is developing a **Violence Against Women and Girls (VAWG)** strategy, expected in Spring 2011. The LGA has commented on early drafts, arguing that local budgets to facilitate joint commissioning have a real role in keeping important services funded. A main focus is likely to be on prevention. Considerable support is provided by charities and the voluntary sector, and understanding their longer term funding is of concern to local authorities.
10. The Government commissioned Lord Macdonald to review **counter terrorism and security powers**, including councils' use of covert surveillance under the Regulation of Investigatory Powers Act (RIPA) in the context of the government's proposal to limit use to serious offences and require them to apply for orders to magistrates' courts. The Safer and Stronger Communities Programme Board agreed to respond highlighting concerns that too tight a definition of serious crime would restrict councils ability to investigate many crimes with a serious impact on the public, including test purchasing to tackle sales of alcohol and tobacco to children.
11. The LG Group has been in discussion with the Home over the Government's developing **drugs strategy** and what can be done to enforce drugs laws – for example how the full range of available powers,

including councils' trading standards services, can be used. In response to police and Home Office and Police support for a council role in addressing 'legal highs', we have emphasised that police powers and banning the substances is more effective. We have indicated that including targets for local authorities would not be appropriate.

12. In response to Home Office consultation on **Community Safety Partnership** (CSP), we have supported a reduction in the regulations and warned that some proposals could reinforce silo delivery rather than a local budget approach. An LG Group guide to making CSPs more efficient, effective and productive will be launched at the annual Safer Communities Conference in October.
13. Three two-day training events on **strategic commissioning** were attended by 40 heads of culture and sport services. LGID launched the culture and sport outcomes framework on its website to provide guidance for councils and their partners on how to evidence the contribution culture and sport provision makes to local priorities and outcomes.
14. The media team's work on **reputation** remains an important way for local government to demonstrate value at this time of public spending cutbacks, and to show councils are on the side of local people. Stories this month include:-
  - 14.1 A crackdown by council trading standards teams on companies selling poor quality mobility aids and taking advantage of vulnerable customers, reported by Radio4's You and Yours programme, the BBC, Channel Five news and three national papers, including a full page spread in the Daily Mail.
  - 14.2 On-going work by Local Government Regulation on the **labelling** of locally produced food, covered positively by the Sunday Telegraph and followed up by the Daily Mail.
  - 14.3 Substantial coverage in the Daily Mail and Telegraph on our demands for supermarkets to cut **packaging** and so reduce the costs of landfill. Environment board chair Cllr Gary Porter and the Chairman were quoted.
  - 14.4 The LGA's submission to the **review of the court service**, including proposals to save money by using town halls for some court proceedings, was widely covered by BBC Breakfast, Radio4, the Daily Telegraph and Independent
  - 14.5 The LG Group **spending review** submission was widely cited in the media, including the Financial Times, Guardian, Independent, Mirror and Express. A segment with Baroness Eaton was also featured as part of the morning bulletins on Daybreak (formerly GMTV).
  - 14.6 The submission was also highlighted in a secondary media story on the estimated £15billion capital costs faced by children's services across the country. Baroness Eaton recorded an interview for Sky News and for BBC 5live's early programme, Morning Reports.

14.7 The LG Group report on councils' use of **handheld and mobile technology** to deliver better value services, leading to an estimated £230million saving in the past year, was reported on by the Daily Telegraph, and was widely covered by regional and specialist technology publications.

### **Being an excellent employer**

15. The LGA has submitted its response to the Independent **Public Service Pensions Commission**, underlining the differences between the Local Government Pension Scheme and other public sector schemes, and the importance of the scheme, as part of a total reward strategy, to the development of local government services in the future. In particular we emphasised that whilst the LGPS may be under funded it is not an *unfunded* scheme, and that any pension scheme must be sustainable and affordable.
16. On behalf of the LG Group, LG Employers has developed a response to a series of questions posed by the **Fair Pay review conducted by Will Hutton**, and made the following recommendations:
  - 16.1 The local government reward system for top pay already includes safeguards that enhance fairness. Further regulation, including an imposed maximum ratio of 20:1 between lowest and highest pay would inhibit local flexibility.
  - 16.2 Perception of fairness could be enhanced by a public sector code of practice on top pay levels and the use of independent remuneration committees. The code could require equality impact assessments of pay policies and reward structures
  - 16.3 A comparison of the roles of top public sector executives and FTSE 100 companies could help people understand that although some characteristics are very different, the pressures faced are comparable in intensity.
  - 16.4 The role of recruitment consultants in senior public appointments should be examined.
17. A **local government careers and branding event** was held on 7 September in partnership with Local Government Yorkshire and Humber. The aim was to enable councils to share good practice and start to map a realistic way to promote councils as employers to young people in the context of, immediate financial challenges and potential future skills and knowledge gaps and occupational skills shortages.

### **Innovation and value for money**

#### **Funding to deliver the job**

18. Submissions on the legal cases through which we hope finally to establish that local authorities who had deposits with the failed **Icelandic banks**, Landsbanki and Glitnir, are entitled to priority creditor status

were filed with the Iceland's District Court in September. Confirmation of priority status would ensure full recovery of **deposits on Glitnir and near-full recovery of Landsbanki deposits**. Hearings are expected to take place in early 2011, although we would not expect the question of priority status to be fully settled until later that year. We will continue to update councils with exposure to Icelandic banks on a monthly basis.

19. The LG Group **spending review** submission was published on September 17:  
<http://www.lga.gov.uk/lga/core/page.do?pagelid=13748140>. Our headline message that councils face a £20bn shortfall in funding to 2014/15 and the key reforms we called for, including the local budgets proposition, were widely cited in the media. **The Spending Review** will report on October 20, so we have stepped up our lobbying of CLG, Treasury and key spending departments for a fair funding settlement and agreement to implement the key reforms that would help local government to deliver with reduced funding.
20. LGA lobbying has secured a commitment from Government to compensate local authorities for loss of income in 2010/11 as a result of the revocation of the **fee for personal searches** of the local land charges register in August under the new burdens doctrine. We continue to press Government to recognise that liability for refunds of past charges lies with central government and not local authorities, and are working on options that would allow authorities to maintain and provide access to property search data on a cost-neutral basis.
21. The results of the LGA and ADCS survey of **schools' capital needs** estimates that essential education capital spending over the next four years totals £15 billion.
22. The Government has called for ideas for **reducing burdens**. The LGA has drawn up a report setting out the cost of government regulations. The last decade has seen 4,000 new pieces of legislation and statutory instruments dealing with local government, adding to council costs.
23. The LGA has reviewed the CLG proposals on **changes to formula distribution**. Key implications, including those on concessionary fares, have been modelled.
24. At the start of September, Cllr David Sparks gave oral evidence to the **Business Innovation and Skills Select Committee** on the subject of Local Enterprise Partnerships, which will allow councils to seek innovative solutions in conjunction with partner organisations to a range of issues. Written evidence was provided to twelve select committee inquiries, and we are preparing for oral evidence.
25. The LGA submitted written evidence to the **Health Committee's inquiry** on public expenditure. The submission sets out how adult social care is funded and highlights the significant contribution local government

makes to total expenditure. It stresses the importance of close working with the health service, particularly in light of forthcoming funding reductions and demographic pressures, and highlights the excellent track record council adult services departments have in securing savings and efficiencies.

26. LG Improvement and Development has published **YouChoose**, an online budget simulator that encourages the public to consider where council budget cuts should fall, where efficiencies might be made, and where income might be generated. The tool was originally developed by the London Borough of Redbridge to engage its citizens in the difficult decisions arising from a substantial budget. YouChoose is now freely available to all councils in England and Wales.

## Local Democracy

### Strengthening local democracy

27. The September LGA Leadership Board and Councillors' Forum discussed the LG Group's position on key areas of the **Decentralisation and Localism bill**.
28. The forthcoming **Police Reform and Social Responsibility Bill** will include proposals for directly elected police commissioners. A briefing on the LG Group position was delivered to Members of Parliament prior to an Opposition Day debate on crime and policing. Our emphasis is on using democratically elected councillors to increase local accountability of forces, rather than new and potentially expensive commissioner-based structures.
29. The new councillors' guide to **taxi and Private Hire Vehicle licensing** acts as a starting point for councillors to understand some of the key issues in this area of business regulation and includes a number of case studies from local councils to illustrate their involvement.
30. Our document ***Reducing the burden – allowing councils to get on with their day job*** outlines the cost to the public of centrally imposed duties, statutory plans and strategies, data returns and uncoordinated inspection and regulation activities. Following our call for the urgent removal of statutory guidance on economic assessment and petitions duties, the government wrote to councils confirming that both pieces of statutory guidance were being revoked with immediate effect.
31. In September 2010, the LG group wrote to government offering support to help deliver on the principles defined in the **Open Source Planning document**. The document identifies key areas where the LG group can support local authorities to deliver sustainable decentralised planning, and identifies key areas where central government can provide clarity and leadership.



32. A survey seeking councillors' opinions on **Big Society** was carried out on behalf of LG Improvement and Development to update the essay *Community Empowerment: what is it and where is it going?*

### **Promoting and supporting local councillors**

33. This year's cohorts for the **Next Generation programme** have been finalised, with the Lib Dem, Labour and Conservative cohorts launched at their respective party conferences.
34. As part of the **Be a Councillor** programme LG Leadership has published a report on a recruitment experiment undertaken with London Councils to use recruitment consultants (on a pro bono basis) to identify potential candidates.
35. LG Leadership, in conjunction with Improvement East has been working closely with Suffolk County Council on the **role of councillors** in light of its new strategy, and with Cambridgeshire on their leadership development programme.

### **Economy, regeneration and growth**

36. Research commissioned by the LGA has been used to make the case for better targeted spending on **careers advice**, at a time when many member councils are facing substantial cuts in this area.
37. The LG Group submitted evidence to the **Transport Select Committee's** enquiry on Transport and the Economy on 23 September, responding to their questions on the links between transport and economic development and the need for radical reform of planning and funding for transport.
38. LG Improvement and Development have continued to provide improvement tools to support councils develop strong **Local Enterprise Partnerships (LEPs)**. As part of a programme of activity to press councils' position we attended a meeting of the Chief Economic Development Officers Society and a breakfast seminar hosted by Centre for Cities and the British Chambers of Commerce.
39. On 8 September the LGA and LG Improvement and Development held a seminar for local government and private and voluntary contractors to explore more effective partnership working on the **Work Programme**, with presentations from the Greater Manchester sub-region and Working Links.
40. The Department for Transport has launched its consultation on new arrangements for reimbursing bus operators for carrying **concessionary fares** travellers. The LGA is lobbying for a simpler and less contentious methodology for reimbursement that delivers savings and does not leave

councils exposed to a high number of appeals, and longer term for more comprehensive reform of the subsidy system.

### **Energy and climate**

41. In September, the Chairs of the Economy and Transport and the Environment and Housing Programme Boards wrote jointly to Defra Minister Lord Henley and Transport Minister Norman Baker to seek further commitment to, and action on, tackling **air pollution** caused by transport emissions. The LG Group has committed on behalf of local government to play its part in reducing air pollution, but is seeking definitive action from Government to help councils.
42. The LG Group offer on **energy and climate** has been submitted to Chris Huhne MP, in response to his invitation at the Group Conference in July. Our proposals look at how, with the right national policies and support from the Group, councils can cut their own and residents' energy bills, and support green jobs. A formal response awaits the Spending Review, but initial reactions from DECC have been supportive.

### **Skills and employment**

43. The **Expanding Local Apprenticeships** web resource, commissioned by the National Apprenticeship Service and organised by Young Foundation in partnership with LG Improvement & Development was launched on 29 and 30 September.
44. The **Leading by Example** online strategic framework and self assessment tool has now been accessed by 175 councils. A joint Jobcentre Plus/LGID South West regional knowledge sharing event was held in Bristol on 9 September covering economic forecasts, apprenticeships, NEETs and skills in procurement.

### **Customer Service**

#### **Customer**

45. In September, Public Affairs and Campaigns were delighted to welcome a council officer from York City Council to shadow their work for the day. The team also worked with press colleagues in Leicestershire and Essex to help them secure national coverage of local initiatives to restrict the use of street lights overnight.

#### **Organisational Development**

46. The first ever LG Group employee conference took place in September hosted by the Royal Borough of Kensington & Chelsea, The event focused on the challenges and priorities facing councils, the wider public sector and the LG Group.

## Governance

47. The LG Group's new governance arrangements came into effect on 1 September, with a members' induction morning on 3 September. The first meeting of the new LG Group Executive brought together for the first time the LGA Office Holders, chairs of the LG Group's programme boards, company boards and panels, representatives from regional groupings of councils and special interest groups to provide strategic direction to the LG Group.

## Political Group Updates

48. This month the work of the LGA Group Offices has focussed on preparations for party conferences, including a number of fringe events in conjunction with LG Leadership

## Conservative Group

49. The Conservative Party Conference took place in Birmingham from Sunday 3rd to Wednesday 6th October. Leading members and staff from the group office are attending the conference.

## Labour Group

50. The Labour Party conference, which took place in Manchester between 26 and 30 September, began with the announcement of the **Rt Hon Ed Miliband MP** as the new Leader of the Party. A full schedule of twelve public and private events across the week included:
  - 50.1 The third annual **Labour Local Government Rally**, which attracted almost 150 people, and included rousing contributions from Mayor Jules Pipe (Hackney), Cllr Ann Lucas (Coventry), Cllr Ian Greenwood (Bradford) and Cllr Simon Henig (Durham), alongside an address by the Shadow Secretary of State for Communities & Local Government, the Rt Hon John Denham MP;
  - 50.2 The third annual joint **LG Association Labour Group and Association of Labour Councillors' reception**, addressed by Ed Miliband, John Denham and the Rt Hon. Harriet Harman MP;
  - 50.3 A series of well attended **fringe meetings**, ranging from Cllr David Sparks, Cllr Claire Kober (Haringey) and Chris Leslie MP discussing how Labour councils can help shield their communities' from the cuts, to a thought provoking debate (in conjunction with the *New Statesman*) on reconnecting with the white working class, with contributions from Cllr Steve Houghton (Barnsley) and Bill Clinton's former pollster Stan Greenberg;
  - 50.4 The launch of our new pamphlet on how **co-operatives** might be the answer to the questions posed by the government's Big Society agenda – *Co-operative Communities: Creating a stake in our society*;

50.5 The launch of **two new councillors' networks**, one for women councillors and one for young councillors.

### **Liberal Democrat Group**

51. The Liberal Democrats Autumn Conference in Liverpool from 18 to 22 September was their first as a party of Government. Alongside meetings with key figures in government and parliament, the busy schedule included:

51.1 ***Launch of a booklet on community politics, developed in conjunction with LG Leadership***

51.2 A well attended **LGA reception**, addressed by the Deputy Prime Minister, who announced in his keynote address that local authorities will be given new borrowing powers under the 'tax increment funding' scheme to help regeneration.

51.3 A meeting with **Friends of the Earth**, chaired by Mayor Dorothy Thornhill, with Chris Huhne, Secretary of State for Energy and Climate Change, speaking on behalf of the Government.

51.4 **4 sessions with council leaders and portfolio holders** with Vince Cable, Secretary of State for Business, Innovation and Skills; Paul Burstow, Health Minister; Sarah Teather, Education Minister; and Danny Alexander, Chief Secretary to the Treasury.

51.5 A **meeting of education portfolio-holders to discuss the Group's position on the forthcoming education white paper.**

51.6 Fringe sessions with Local Government Improvement & Development and the Co-operative Group on community politics and social enterprises.

52. ***Away from conference, we have been supporting the lead members who are attending the new parliamentary backbench committees. This has included taking a lead role in the CLG committee where we have a strong voice.*** Other work through September has included a meeting at Downing Street on Housing, and supporting Local Government Regulation in contacting Vince Cable's office at the Dept of Business, Innovation and Skills over the future of the LBRO.

### **Independent Group**

53. The Independent Group Annual Conference will take place on Monday 18 October with a focus on leadership and reputation during the recession.