

## **Chief Executive's Monthly Report – October 2011**

### **Purpose of report**

For discussion

### **Summary**

This report highlights the LG Group's main achievements on behalf of local authorities during September.

### **Recommendation**

Members are invited to note the report.

### **Action**

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

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### **Background**

1. The LG Group Programme Boards help shape the LG Group business plan and, along with the LG Group Executive, lead programmes of work to deliver the Group's strategic priorities. This report sets out their main achievements on behalf of local authorities during September.

### **Children and Young People Programme Board**

2. Councils win a continuing strong, strategic role in education – this was promised in the Schools White Paper and the Board is working to flesh out what this means in practice and to support councils in moving to a more strategic role in a system with increasing numbers of academy schools with more autonomy.
3. The reform of schools funding gives councils a significant role in adapting the proposed national funding formula to suit local needs - following our lobbying, the government's consultation paper accepts the need for a council role in the application of a national funding formula to meet local needs and priorities.
4. The Department for Education invests £10.5 million through the LG Group for a sector-led programme of children's services improvement - this programme will be a litmus test of councils' ability to lead their own improvement.
5. Social workers are freed from excessive bureaucracy, allowing them to spend more time with children and their families - this has been the aim of the Board's lobbying to improve child protection and has been endorsed by the Munro review.
6. Councils are put at the centre of an improved system for supporting children with Special Educational Needs and Disability (SEND). The SEND Green Paper proposes many welcome reforms but we are arguing that councils should be given a clear lead role in coordinating support needs of this vulnerable group.

### **Community Wellbeing Programme Board**

7. Funding of Care and Support - the Board welcomed the publication of the Commission on Funding of Care and Support (led by Andrew Dilnot) as a landmark opportunity to reform of an over-stretched and under-funded adult social care system. To maintain momentum on the reform agenda, the LG

Group submitted a declaration on adult social care, signed by more than 80 top-tier Leaders, to the three national party Leaders. Following the recent launch of the Government's 'engagement exercise' the Board is developing a range of activity to ensure the sector's views are fed into the consultation, which we expect to be published in April 2012.

8. Health and Social Care Bill (NHS reform) - the Board was pleased to see greater recognition of the powers for Health and Wellbeing Boards, a greater focus on place-based and whole population approaches, and stronger requirements to integration that resulted in the 'pause' on the Bill. Many of the revisions to the Bill have the potential to strengthen the role of local authorities and put far greater emphasis on local health and wellbeing needs.
9. Sector Led Improvement - we are working with key national partners to develop a new approach to sector led improvement in adult social care following the abolition of the previous inspection regime. Its core elements - robust performance data; self evaluation and peer challenge - are consistent with the sector's wider approach to self regulation. A new 'Towards Excellence in Councils' Adult Social Care Programme Board', co-ordinated by the LG Group, has negotiated £505,000 from the Department of Health to support its approach at a regional and national level.

### **Economy and Transport Programme Board**

10. The focus on worklessness continues with the development of the Hidden Talents campaign on engaging young people more effectively in work, learning and volunteering. We will also look at the opportunities for greater localism in welfare reform as universal credit and the Work Programme is rolled out.
11. We have succeeded in lobbying Dept of Transport to devolve transport delivery to a local level in areas such as buses, rail and local major scheme funding. We are pressing DfT to devolve as a joined-up local economic package, rather than in ring-fenced transport silos. Minister and senior officials are interested in this discussion.
12. Winter Weather - we have worked closely with the local authorities, the DfT, Highways Agency and the Met Office to manage the guidance and messages around winter weather issues and the allocation of strategic salt stocks.
13. Local Growth: In November, we will launch a growth campaign to emphasis councils' role in stimulating local economic growth, through a series of meetings across England, jointly branded and run with host authorities. The events will focus on new ways of thinking, providing solutions and promoting best practice. We will work with a range of think tanks, leading to a spring submission to CLG/BIS/HMT and a 2012 LG Group conference report. We are also developing a programme of skill development for councillors on economic development in an age of austerity.

## **Environment and Housing Programme Board**

14. Planning – LG Group welcomes the National Planning Policy Framework's (NPPF) focus away from centralised guidance onto clear, up-to-date and well-evidenced local plans developed by Local Planning Authorities (LPAs), that respond positively to opportunities for sustainable growth, wealth generation and employment.
15. Our national conference "understanding the NPPF" in Bevan Hall on 10 October 2011 is sold out. We are also launching a local authority guide on the NPPF and will be submitting Oral Evidence to the CLG select Committee on NPPF and responding to the full CLG NPPF Consultation by the closing date of 17 October 2011
16. Housing - the Government has made welcome moves towards dismantling the complex and bureaucratic HRA system towards self financing, but has stopped short of a genuine shift to self financing. We are lobbying for a change to the Right to Buy Sales arrangements whereby 75% of net receipts is sent to the Treasury and for the removal of Secretary of State capping powers on council house borrowing.
17. Energy and Climate Change - Carbon Reduction Commitment (CRC): Government has signalled its intention to adopt many of our alternative proposals for simplification and fairness, either in full or in part under the CRC simplification agenda. In particular under the scheme is the examination of the relationship between local authorities, schools and Academies. The LG Group has submitted a full response to DECC emphasising that the simplification must allow local authorities, schools and academies to build on existing good practice rather than perpetuate unfair and binding relationships. The LG Group's annual Climate Change Conference on the Green Deal is already full with significant interest in the role of councils on climate change. The new Nottingham Declaration will be launched at the event on 29 November
18. Waste – the LG Group is working with WRAP and DEFRA to produce a business waste commitment for local authorities that seeks to increase levels of recycling and better outline the level of service and opportunities for input their customers can expect. The launch is expected in October with a Household Waste Commitment to follow later in the year.
19. Climate adaptation and Flood risk – we have agreed in principle to support the Environment Agency in the delivery of its new £2m climate change adaptation programme. Virtually all Lead Local Flood Authorities submitted their Preliminary Flood Risk Assessments on time, demonstrating excellent progress in delivering new responsibilities under the new floods legislation.

## **Safer and Stronger Communities Programme Board**

20. Strengthening the ability of police and crime panels to hold police and crime commissioners to account – we have been successful in ensuring councillors

form the majority of panels' membership and amending the Police Reform and Social Responsibility Act to increase the powers of police and crime panels.

21. Allowing councils to set their own alcohol licensing fees based on full cost recovery - as a result of our work the Act now provides for councils to set their own fees, and in doing so take account of the licensing authority's costs. We now need to work on implementation.
22. Ensuring councils can continue to use covert surveillance to tackle crime - following negative press coverage and a government review, we successfully lobbied for councils to be able to use covert surveillance for serious offences.
23. Securing continued support from the Home Office for the role of councils in tackling crime and disorder - the Home Office are therefore committed to maintaining community safety partnerships, while reducing the bureaucracy around them.
24. Helping councils to improve the productivity and efficiency of community safety partnerships - we have conducted peer reviews and learning events and produced guides to help partnerships reduce crime and deliver significant savings.

### **Fire Services Management Committee**

25. Fire Service College - the FSMC review examined the current situation with the College which is under-utilised, beset by financial issues, in need of investment. The FSMC has concluded that the College has a vital role to play and recommended that the future of the College can best be secured through a partnership with the private sector.
26. FiReControl - after the decision to abandon the regional control centre project which wasted £469m CLG has now been accepted that local FRAs should have access to a £81m national fund to improve resilience in each locality. A further £1.8m in total will be made available to the sector as a whole to develop initiatives of national benefit. We are working with the Chief Fire Officers Association on how that money should be used.
27. Improvement - 10 peer challenges and a targeted fire and rescue Leadership Academy have taken place. The peer challenge offer is being reviewed by the Fire Service Management Committee and the new offer will be launched in the autumn.
28. General Power - we have successfully lobbied for a general power in the Localism Bill which will be available to all FRAs.

### **Culture, Tourism and Sport Programme Board**

29. Councils play their part in hosting an exciting and safe 2012 Olympic and Paralympic Games that delivers benefits for the whole country and develops a new model for community sport. We have represented councils' interests on

key issues such as the Torch Relay and kept councils informed about vital operational information in the run-up to the Games.

30. Councillors have a strong role in live music licensing. We are lobbying to influence the outcome of the Live Music Private Member's Bill, which councils have serious concerns about.
31. Businesses and communities are transformed in rural areas with the roll out of superfast broadband. The government is allocating over £500,000 to councils to support the roll out and we're supporting councils to maximise this and help residents to get on line.
32. Councils drive a boom in the visitor economy. Tourism is the fifth largest industrial sector in the UK generating £114 billion of GDP and sustains 2.65 million jobs. Councils are key players and we are supporting LEPs in particular to play a leadership role.

### **European & International Programme Board**

33. We have secured major concessions from the Government on the devolution of EU fines to councils. The safeguards include greater influence for councils in framing the UK position on proposed EU law.
34. The EU structural funds review is currently underway. There is currently £8m investment in UK. There are three principal issues for us: the totality of the funding package to the UK, the areas of the UK that are eligible for EU regional support and how the funds are delivered. The LGG is leading work with officials across five Government departments to drive the UK position and we have secured UK launch of reform debate in Dec.
35. We have secured a review of EU procurement rules and are working with Whitehall and Brussels to simplify of the rules and a reduction in EU red-tape and for greater local flexibility in procurement.
36. We have been asked by pan-African LGA to help pilot LGG model of peer reviews to help improve local governance in Africa. This is being funded by external resources.
37. When the EU's legislative programme for 2012 is published by November, the Board will prioritise its annual lobbying programme and organises a "summit" with FCO, MEPs and others in Brussels to discuss our concerns/issues and to secure a place for local government in EU negotiations. Likely concerns in this year's programme will include further financial burdens from environmental regulation, VAT reform, public building regulation and UK opt-out on working time.
38. During 2012, there will be a peer review of UK local/central relations by Congress of Council of Europe to check our obligations under the Council's treaty on local self-government. The report is likely to be produced during the

UK's Presidency of the CoE (which comes around every twenty years) so should have a high profile.

### **Workforce Programme Board**

39. We will hold a national summit with the unions to change the way we work together - we will produce a protocol on more effective joint working on a whole range of workforce issues, including modernising terms and conditions. We hope to play a key role in modernisation across all related services, including Education, Police and Fire.
40. Close working with Dept of Health and others on transfer of public health staff to local government – the transfer of functional responsibility is widely welcomed but could easily be thrown off-course by problems over terms and conditions. We are leading efforts to set out a clear, positive framework for action at a local level.
41. Joint working with Association of LA Chief Executives on guidance for setting senior reward packages - there is continued political disquiet about senior salary levels. We are working with Chief Executives' representative in ALACE to prepare guidance that will help the sector to demonstrate that it can manage these issues itself.
42. Helping councils to tackle workforce productivity and efficiency post CSR – work continues on de-layering to reduce management overheads, targeted work on improving employee engagement, and an offer with the regions to share practical advice.
43. Options for staff wishing to set up mutuals or other forms of social enterprise – we are developing options for further support. This may include lobbying for a package of financial support similar to that provided to the NHS.

### **Improvement Programme Board**

44. Taking the Lead - having successfully lobbied to reduce the burden of inspection, and agreed a new approach to sector self regulation and improvement, we are now gaining acceptance of the key role of the Principal Advisors in supporting Councils and identifying those at risk. We are rolling out our new free corporate peer challenges and have put in place member support in councils which change in political control.
45. Identifiable productivity gains delivered by councils with support from the LG Group - phase 1 of the Local Productivity Programme is complete bringing together new and existing products and tools extensively used by councils. We identified 100 quick wins for authorities, provided master classes in productivity and are supporting the second wave of the Capital and Asset pathfinder programme.
46. Innovation - the Beacons scheme has been replaced by the “Creative Councils” programme with a stronger emphasis on helping councils develop radical

innovations is a joint initiative with NESTA who are investing £2m. Over 130 councils have offered innovative ideas with 17 selected to go forward to the next stage.

47. Leadership - we are ensuring that the LG Group has an affordable and coherent offer that addresses all levels of local government leadership – political (e.g. Leadership Academy) and managerial (e.g. National Graduate Development Programme) as well as encouraging and supporting new councillors (e.g. Be A Councillor). We already have over 300 Councillors booked on this year's Leadership Academy programmes.

### **Finance Programme - reports to the LG Group Executive**

48. The LG Group has long campaigned for localisation of business rates and the government now proposes to do it.
49. We have long campaigned for the ability to borrow on the back of forecast business rate income, especially through the mechanism known as Tax Increment Financing (TIF), and the government has now committed to make that happen.
50. We campaigned for Housing Revenue Account reform that ends the negative subsidy arrangement and localises housing finance; the government is now doing that – and has just made it cheaper.
51. We have promoted a revival of the municipal bond market and are leading moves within the sector to make that happen.
52. We have successfully convened legal efforts on behalf of the sector that have already recovered a quarter of councils' assets in failed Icelandic banks and there is a very good prospect of recovering the lion's share of the rest.

### **Localism Programme - reports to LG Group Executive**

53. We campaigned for a power of general competence for councils: the Localism Bill delivers it. We have also extracted government concessions and promises of concessions in the Bill on imposed shadow Mayors, EU fines, and Secretary of State order-making powers.
54. The Group led the campaign for place-based budgets. In response, the Spending Review launched Community Budgets for families with complex needs in 16 areas. At our Birmingham conference, Ministers announced that this will be rolled out to all authorities (and over 70 places have expressed an interest in doing so in 2012-13) and that two places will now develop whole-place, single pot Community Budgets and a neighbourhood-level community budget.
55. We have influenced the Open Public Services White Paper which says "Strong local government is at the heart of our reforms" and includes LGA lobbying



objectives such as devolution of public transport funding and skills funding to councils.

56. Our quangoes campaign set the scene for the abolition of the Audit Commission and other quangoes councils felt got in the way of local leadership.

### **Public Affairs and Media activity**

57. The public affairs team, together with the political group offices, ensured a high representation of local government speakers across the three party conferences and arranged for LGA councillors to speak at 70 fringe events, roundtables and lunches. A local government reception which was sponsored, was also held at each conference with Rt. Hon Nick Clegg MP and Rt. Hon Ed Miliband MP attending the Liberal Democrat and Labour events respectively. Rt. Hon Eric Pickles MP is due to attend the Conservative reception.
58. An LGA study into two of the nation's favourite takeaways has revealed shocking levels of fat, salt, sugar and colourings along with bogus meat and potentially lethal nuts. Our press release was reported in the Daily Mail, Mirror, Telegraph and on BBC Breakfast.
59. The LGA submitted its proposals for reform of the Local Government Pension Scheme to ministers. The Chairman appeared on the BBC's Today Programme.
60. Responding to the announcement by the Government of £250 million to encourage councils to keep or return to weekly bin collections, the Chairman appeared on the Today Programme, ITV News and Sky.