



**Appendix B**

**DRAFT**  
**BUSINESS PLAN**  
**2012/13**

## **A SHARED VISION FOR LOCAL GOVERNMENT**

### **CHANGING LIVES**

Local government has the potential to lead local communities, now more than ever before, and play a central role in growth and in changing people's lives.

In the current economic climate, it is down to local government and its leaders, to rise to the challenge. People rely on us to do so, not just as the trusted deliverers of local services, but as leaders and innovators, as councillors who really know and work hard for their communities, and as officers who get on with the job.

Local government leaders are demonstrating they are up to the task and driving their councils forward to ensure they fulfil this role. Their aim is to make places distinctive and attractive for people to live and work in and enjoy.

Part of that leadership role is to communicate powerfully, to connect with people, taking the argument, strongly and self-confidently to central government, the wider public, other partners and the media.

### **ACCOUNTABLE**

Local government really can make a tangible, lasting difference to people. It has the ability to inspire and lead communities, and improve quality of life, by creating and contributing to a real sense of place, rooted in those local communities.

Unlike many other organisations, councils can make change happen instantly and with real authority, at a very local level – the opposite of the grand, empty gesture. It is sometimes the small things which have most impact and leave the biggest impression.

Key to this is localism, by definition not something which is set out at a national level – localism means central government letting go, putting more faith in local people, and being confident about local democracy. Councils are the enablers of localism, not the impediment to it. They are often the single most important source of practical advice to local communities who want to take on more responsibility.

This means collaboration, partnership, no silos, and working across boundaries. Local government must work like this both internally and externally, facing outwards towards those who use local services.

Councils and councillors get involved and involve others. They encourage by example and support others to develop – and this includes their own workforce as much as their communities and the partners they work with. Councils actively involve people in the design and delivery of their local services.

Councils work as enablers – supporting people to take more control over their lives and their localities, and encouraging growth, through influence over land use, education, training and local infrastructure. There is real impact to be made in helping local economies and local businesses prosper.

## **EFFICIENT**

Local government remains the most efficient part of the public sector and rightly rests its reputation on this fact. People correctly expect it to deliver cost effectively and efficiently, with excellence being pursued in balance with the appropriate use of public money.

Councils are ambitious in finding ways to do the job within their means, so they are good spenders of public money and more effective than most other organisations in helping people and communities.

In this way local councils and those who run them lead by example and by supporting others – by being bold, innovating, and sharing best practice.

Councils are not afraid to cut costs and be innovative about ways of improving services, as well as being prepared to consider radical economies of scale where this helps delivery on the ground. This means councils focusing relentlessly on performance, eliminating cost. To achieve this councillors are having to make difficult and at times unpopular decisions, while earning a reputation for delivering value for money.

Councils know they can only achieve this by ensuring they have a workforce that is appropriately rewarded, flexible, skilled and engaged through this time of unprecedented change.

## **RELIABLE**

Councils are the backbones of their communities, relied on day in day out, to deliver excellent services whatever the circumstances. They are the safety net, relied on to pick up where other services fail.

People and their local communities depend on this and place their trust in their council, their councillors and what they deliver. Councils must live up to people's expectations and make sure their trust is not misplaced.

Local government can do this because it is one of the most open and accountable parts of the public sector. Voters expect it to deliver. It can be relied on to handle issues important to people's everyday lives and is a force for practical good.

Councillors themselves are trustworthy individuals and work hard in a transparent, highly accessible environment. They need to be supported and encouraged, as their talents, commitment and energy are a really important resource for the local communities they represent.

In return, councils connect to the daily lives of families and their communities. They do this by earning trust, being accountable and staying local. They put their faith in local people and are confident about local democracy.

Councils and their leaders provide the glue for local communities, ensuring social cohesion and successful diversity. Councils also have a key role in supporting the most vulnerable people in society.

## **THE LGA'S PRIORITIES**

**The LGA's mission is to support, promote and improve local government.**

We work with councils to achieve our shared vision for local government by focusing our efforts where there is a need for us to get involved and where we can have real impact.

The LGA has a major role to play in upholding local government's reputation and supporting real leadership. We are politically led, but independently authoritative, holding unrivalled expertise and knowledge about local government and local government issues.

Leadership is about being bold and ambitious, supporting councils to make a difference, deliver and be trusted. The LGA is proactive and confident, unlocking the economic power and influence of local government and driving change. This is only possible if we work together as a single sector.

The LGA has a key role in driving the debate on public sector reform, to ensure that councils can bring together local services so they are better for the people who use them and better value for the taxpayer.

As the national organisation representing councils and councillors, we play a critical link between central and local government as the legitimate voice of our sector, making the case to ministers. Our policy work is based on objective, independent and credible analysis. It is driven by knowledge, not ideology, and by new thinking, not dogma.

The LGA also acts as the key conduit and promoter of the best that local government has to offer, by encouraging councils to develop and share best practice, through our improvement, innovation and productivity programmes.

As a politically-led membership organisation, we invest in support to the elected members who are directly involved in the LGA. We use our governance arrangements to build strong connections with councils and their sub-national partners to provide political direction for all our work.

This business plan focuses primarily on the services and support funded by subscriptions from LGA member authorities including fire and rescue authorities, and RSG top-slice. We seek additional funding for specific programmes where these fit with our priorities. We also provide services on a cost-recovery basis where councils are prepared to pay for them.

## Our top priorities

To deliver our vision for local government, in 2012/13 we will focus on achieving the following outcomes:

### Public Service Reform

**Councils are at the centre - and are seen to be at the centre - of public sector reform and delivering more effective services for local people.**

This includes:

- making the case for continued decentralisation of responsibilities and resources to councils
- making the case to government for community budgets and working with councils to develop and share good practice on community budgets for families with complex needs, and neighbourhood and area community budgets
- supporting councils with implementing the Localism Bill including the Power of General Competence and the Community Right to Bid and Challenge
- influencing the government's Open Public Services proposals and supporting councils in pursuing innovative public service reforms
- ensuring the negotiating machinery and national agreements for workforce are relevant and fit for purpose
- developing an affordable, sustainable and fair local government pension scheme that delivers value for money for the taxpayer
- supporting councils in the transfer of public health to local government
- supporting councils and community safety partnerships in preparing for police and crime commissioners, including setting up police and crime panels
- supporting councils in their role in education with the expansion of academies and free schools to ensure councils can ensure a fair system for all
- lobbying for fair funding for all schools and arguing the case for councils to be the mediating layer between central government and schools
- responding positively to the anticipated White/Green paper on the care system, supporting councils to share best practice
- articulating councils' role in the Big Society and supporting councils in commissioning from the voluntary and community sector
- helping councils share and develop good practice on payment by results

- lobbying in Brussels and Whitehall to ensure that future EU regulation minimises burdens and maximises opportunities.

## Growth and Prosperity

**Councils are recognised as central to economic growth.**

This includes:

- leading a campaign to ensure that the local levers of growth are unfettered
- supporting the development of new planning powers, to achieve wellbeing and growth in local communities
- supporting councils to deliver the new housing strategy
- supporting councils in developing innovative funding for economic infrastructure
- representing councils' interests with reform of the EU structural funds
- lobbying to ensure councils are better able to influence local transport provision
- supporting councils in hosting and engaging communities in a safe and exciting 2012 Games, to deliver wider benefits for the whole country
- promoting and developing councils' role in the visitor economy
- supporting councils as they lead the national roll-out of superfast broadband
- working with government, industry and councils to ensure the Green Deal and new statutory responsibilities on home energy work for councils
- working with councils to strengthen community resilience, including understanding the underlying causes of the civil disturbances in the summer
- working to ensure regulatory services can remain flexible and accountable to the needs of local businesses and local communities
- supporting the development of members and officers in driving the economic potential of their areas.

## Funding for local government

**Reform of the public sector finance system so councils raise more funds locally, have confidence their financing is sustainable and greater ability to co-ordinate local public services.**

This includes:

- the Resource Review, so that investment is focused more effectively on the local areas which most need it
- leading and shaping the debate on the Dilnot Commission's recommendations on the future funding of care and support
- lobbying for welfare reform, in the interests of improving services to local communities and to support local employment
- supporting the creation of a collective agency to help councils reduce their borrowing costs by using the bond markets
- working to achieve equitable needs-based funding arrangements that are fair to local government in all parts of the United Kingdom.

## Efficiency and Productivity

**Councils dramatically reduce costs in ways which minimise the impact on the quality of life for their residents.**

This includes:

- helping councils save at least £150m over the next 3 years by supporting pathfinder programmes, productivity master classes and good practice
- roll-out of the capital assets programme with a particular emphasis on councils using their assets to generate economic growth
- lobbying and leading support for councils with waste and recycling including collection, infrastructure planning and delivery and waste minimisation
- providing free of charge tools such as LG Inform to allow councils to benchmark costs and performance information against other authorities
- continuing to support the Creative Councils programme to help councils turn their ideas into action and share the outcomes with the rest of the sector
- supporting councils to develop on the type of workforce they will need in five years' time helping them with reward, motivation and improved performance



- supporting councils and fire and rescue authorities to respond to civil emergencies

## **Sector-led improvement**

**Councils are the most improved part of the public sector.**

**Local politicians and senior managers lead the transformation of local places.**

This includes:

- a programme of over 100 peer challenges in each of the next three years for councils and fire and rescue authorities
- maintaining an overview of the performance of local government and providing tailored support to councils that face significant challenges
- support to enhance councils' accountability to local people including support to strengthen scrutiny working with the Centre for Public Scrutiny
- an improvement programme for children's services
- working with councils to develop an improvement model for adult social care through Promoting Excellence in Adult Social Care
- support to councils to modernise and improve public libraries and programmes for culture, tourism and sport services
- ensuring that international practice is available to support service improvement in the UK and abroad
- providing a range of development programmes for elected members, and one free/subsidised place for every council for each of the next three years
- offering every council over the next three years a member development workshop to support councils to become "champions of their patch"
- working with the national parties and others to increase the diversity of people standing for public office through our "Be A Councillor" programme
- offering member mentoring free of charge for any council where there is a change of political leadership
- providing development programmes which bring together elected members and officers through programmes such as our Leeds Castle programme
- attracting new talent into the public sector through programmes such as the National Graduate Development programme.

## **Our own effectiveness and efficiency**

**The LGA is the single voice of local government, representing every local authority and locally democratically elected representatives across England and Wales.**

This includes:

### **Membership**

- increasing membership levels amongst local authorities in England and Wales and providing a membership body for Police and Crime Commissioners
- improving engagement and building strong and productive relationships with councils and groupings of councils – this will be the focus of a member scrutiny review
- acting as conduit between local authorities and central government to ensure a local perspective to emerging policy debate
- securing amendments to emerging legislation and running effective campaigns that deliver real change and improvements for our membership
- developing our suite of communications to provide clear, relevant and up to the minute information that councils value and use
- enhancing benefits and reducing the cost of membership.

### **Business management**

- reviewing our costs with a view to achieving a significant reduction in overheads – this is also the focus of a member scrutiny review
- focusing on value for money, transparency and accountability
- supporting our employees through regular appraisal and investment in their development.

## Outline budget 2012/13

	Pay £m	Non-Pay £m	Total £m
Subscriptions			10.0
RSG England			25.5
RSG Wales			0.3
Specific grants and other ring-fenced funding			8.5
Other income (conferences, seminars, sponsorship)			2.0
Rental income			1.0
Other			1.0
Possible carry forward of prior year underspend			1.4
<b>Total income</b>			<b>49.7</b>
<b>Political support and governance</b>	<b>1.7</b>	<b>1.4</b>	<b>3.1</b>
Programme teams			
Leadership and Productivity			
Workforce			
<b>Policy and Delivery</b>	<b>10.8</b>	<b>7.8</b>	<b>18.6</b>
<b>Strategy and Communications</b>	<b>2.2</b>	<b>2.5</b>	<b>4.7</b>
<b>Total operational costs</b>	<b>14.7</b>	<b>11.7</b>	<b>26.4</b>
<b>Specific grants and other ring-fenced funding</b>	<b>2.8</b>	<b>2.8</b>	<b>5.6</b>
Strategic Management Board	0.7	0.1	0.8
Finance and Resources	1.0	-	1.0
Liberata shared service	-	6.8	6.8
Accommodation	-	2.8	2.8
Other overheads (audit, insurance etc)	-	1.7	1.7
Pensions - past employees	-	0.9	0.9
Pensions - additional contribution	-	3.7	3.7
<b>Total overheads</b>	<b>1.7</b>	<b>16.0</b>	<b>17.7</b>
<b>Total expenditure</b>	<b>19.2</b>	<b>30.5</b>	<b>49.7</b>

## Our Corporate Indicators

	<b>Target 2012/13 (TBC)</b>	<b>Baseline</b>
<b>Membership</b>	<b>September 2012</b>	<b>September 2011</b>
Total membership	422	422
<b>People Management</b>		<b>September 2011</b>
Employees – total headcount	307 (269 estabd posts + posts for grant-funded programmes)	307
Average sick days per employee for 12 months	Maintain or improve (public sector av 9.6 days; local govt av 10.3 days)	4.5 days
Workforce profile		
BME employees % of the workforce		17%
BME - proportion of employees Grade 6 and above	Increase % of BME employees grade 6+ in line with workforce	5.9%
<b>Employee engagement</b>	<b>Survey during 2012</b>	<b>Survey July 2009</b>
Satisfied with their job	Maintain or improve	79%
Good place to work		66%
Kept well-informed		80%
Line manager helps them achieve their potential		61%
Organisation is committed to equality and diversity in its services		69%
Organisation is committed to equality and diversity in its employment practices		66%
<b>Debtors</b>	<b>March 2013</b>	<b>March 2011</b>
0 – 2 months	80%	56%
3-12 months	20%	10%
13-24 months	0%	14%
Over 24 months	0%	20%
	100%	100%
<b>Liberata customer satisfaction</b>	<b>Survey Nov 2012</b>	<b>Survey Nov 2010</b>
HR and Payroll	80%	66%
Finance and accounting	80%	72%
ICT	80%	58%
FM	80%	80%
Print and design	80%	68%
Overall	80%	61%
<b>Carbon emissions</b>	March 2013 reduce by 6% from 07/08 baseline of 1,450 CO2 tonnes	March 2011
	1,363	1,373