

20 January 2011

**Item 2**

**LG Group Business Plan 2011-12**

**Purpose of report**

For discussion and decision.

**Summary**

Members will be aware that the LG Group is going through a period of significant change. From 2011-12, there will be a single organisation, workforce and political governance structure. However, the financial resources available to the Group will be much smaller. The current staffing review also envisages a smaller, more generic workforce.

Within this context, the LG Executive has asked each programme board to identify the priorities to feed into the LG Group business plan for 2011-12.

**Recommendation**

Members are asked to agree the European and International Programme Board's contribution to the 2011 - 12 LG Group Business Plan.

**Action**

For members to discuss and agree the European and international priorities for the 2011-12 LG Group Business Plan.

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**LG Group Business Plan 2011-12**

**Background**

1. Members will be aware that the LG Group is going through a period of significant change. From 2011-12, there will be a single organisation, workforce and political governance structure. However, the financial resources available to the Group will be much smaller. The current staffing review also envisages a smaller, more generic workforce.
2. Within this context, the LG Executive has asked each programme board to identify the priorities to feed into the LG Group business plan for 2011-12. The framework agreed by the Executive (*attached* as **Annex One**) identifies two high level aims as the basis for discussion:
  - 2.1 Representing and advocating for local government and making the case for greater devolution;
  - 2.2 Helping councils tackle their challenges and take advantage of new opportunities to deliver better value for money services.
3. Through consultation with councils, the Executive has also agreed six priority outcomes that should guide the day-to-day work of the Group:
  - 3.1 local budgets and accountability;
  - 3.2 strong political leadership;
  - 3.3 improved local productivity;
  - 3.4 strong local economies;
  - 3.5 improved local performance and value for money;
  - 3.6 transformed workforce.
4. The paper *attached* as **Annex Two** sets out a proposal for a European and international work stream against these priorities in 2011-12. Members are asked to consider this proposal and to identify any priorities. Members are also asked to consider the list of non-priorities where savings can be made.

**ANNEX ONE**

**LG Group Business Plan Headline priorities: *As agreed by LG Group Executive***

**Our mission**

We work together to support, promote and improve local government

**Our aims in 2011/12**

To achieve this vision, in 2011/12 we will focus on two high level priorities:

- representing and advocating for local government and making the case for greater devolution
- helping councils tackle their challenges and take advantage of new opportunities to deliver better value for money services

**How we will work**

Our work to deliver these priorities is arranged through nine programmes, reporting to members through the nine programme boards of the LG Group, with cross-cutting operational and policy issues being joined together through the LG Group Executive:

- children and young people
- community wellbeing
- economy and transport
- environment and housing
- safer and stronger communities
- culture, tourism and sport
- European and international
- workforce
- improvement

**Councils' key priorities**

Through consultation our member authorities have set out the six priority outcomes that should guide the work we deliver through our programme boards.

- local budgets and accountability
- strong political leadership
- improved local productivity
- strong local economies
- improved local performance and value for money
- transformed workforce

**Customer focus**

Through our major change programme Getting Closer, in 2011/12 we will continue to:

- ensure that the LG Group is focused on councils and councillors
- further integrate the work of the LGA and the central bodies
- reduce our costs and maximise effectiveness

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**ANNEX TWO**

**EUROPEAN AND INTERNATIONAL OFFER TO LG WORK PROGRAMME IN  
2011-12.**

*Why we run an European and international service*

- Over 50% of regulation affecting councils originates in Brussels.
- Learning from international practice will advance both the efficiency agenda and the reform of public services in the UK.
- Demand on councils from local government in the developing work is increasing and needs managing.

*How the Board's work meets the core aims of the LG Group*

Within the context above, the LGA has been working with councils to reshape the LGA European and international service so that a tangible national service is offered to member authorities to help save money and avoid duplication locally:

*Our customer focus*

We offer a national service in the following areas.

- A lobbying service on those EU proposals which will have most impact on front-line council services. We prioritise new funding opportunities and lobby against new financial or bureaucratic burdens. All lobbying is transparent through the new web-based tracker so councils can influence our meetings and feedback on performance.
- Simplifying the maze of EU funding opportunities through regular easy-read alerts to unlock £10b of EU funds for councils.
- A one-stop secretariat service and policy briefings to councillors on statutory EU and international committees – avoiding duplication of support across over 100 councils.
- A network of sister LGAs to offer learning and expertise to UK on policy development and service delivery.
- Raising external resources to meet the demand from developing countries for UK local government expertise.
- Running a national local government office in Brussels for briefings and desk-space to support councils on business in Brussels. *We have also offered ways of sharing services and accommodation with other public service offices to avoid added costs to the sector.*

This work covers a number of themes and boards and represents the cross-cutting offer to councils.

*Our tangible offers to the priority work programme in 2011-12*

There are six clear priorities for 2011-12, against which we can make some tangible offers to contribute to the new LG Group.

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Our overall offers:

- Learning from international practice can help fast-track improvement in the UK. We will ensure that our work in Brussels, the Council of Europe and the Commonwealth brings practical examples to strengthen the work of the group. *We will provide a commentary of the final work programme to target where international learning can be most effective.*
- We need to “early-warn” on future regulatory burdens and policy opportunities which will affect councils’ front-line. *We offer to influence the development the next EU legislative programme and present a lobbying programme.*

Our specific offers:

*Improved local productivity*

- We will seek to ensure that the 2011 review of EU procurement law does not hinder the move to shared services (where some lobbyists are seeking for shared services to be covered by EU competition law). We also have the opportunity to ensure EU procurement rules are reformed to ensure easier local decision making.
- There will be continued work on EU recycling legislation to ensure that local government leadership is ensured and burdens minimised. We will work on new EU legislative proposals on public sector responsibility in water and energy conservation to ensure that targets and financial obligations are realistic.

*Strong political leadership*

- We will work with the Council of Europe to inform its forthcoming review of local democracy in the UK, to be undertaken during 2011.
- Our councillors play a formal and statutory role in decision making in the EU and on a small number of international bodies. We will provide an efficient national secretariat to support effective local government leadership in these areas and to avoid the cost of duplication of effort across all councils.
- Demand for support from councils in the developing world is increasing. We will continue to raise external resources to ensure that UK practitioner support is available to support sister LGAs.
- We will break new ground for UK political leadership by working with DFID to develop a greater role for local government in the delivery of UK aid (based on a recent commission from the Secretary of State for International Development).

*Local budgets and accountabilities*

*Improved local performance and value-for-money*

- We need to lobby for light-touch regulation in the EU’s review of “concessions” as it will affect local government franchise arrangements for leisure centres, waste and buses.

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- We also need to work to ensure that the EU review of VAT payments does not threaten local government's current method of payment and harmonise EU standards at a cost of UK local government.

*Strong local economies*

- Over the next year, the core reform of the EU budget will be undertaken. We need to maximise the UK take of the structural funds budget and to ensure that the current receipt of £10b is protected.

*Transformed workforce*

- There are a range of EU workforce proposals which will be debated in 2011. The most important of which is the working time directive. We will work on all these areas to avoid new costs on councils.

The new LG journey offers a chance to develop EU and international work in new ways. These tangible offers are based on a clear judgement of the primary opportunities and threats to councils from the international arena in 2011-12.