

## **LGA Executive**

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The LGA Executive key objectives for 2005 are to:

- Secure adequate resources for all member authorities, including a firm commitment from government to reform taxation to achieve a fairer tax system that enables councils to collect at least two thirds of their income from locally-controlled taxes and charges
- Support local government in the efficiency programme and ensure that local government's interests are promoted;
- Work to secure the delivery of the LGA manifesto and to make significant progress in the devolution of power beyond the town hall;
- Embark on a sustained campaign to raise the profile perception of local government.

**Independence, opportunity, trust; a manifesto for local communities** The LGA's manifesto sets out ten steps that central and local government must take to realise our vision of self-governing communities. Further policy documents on choice in local government services and Civil renewal have been published. Steered by a member task group, additional outputs will include a consultation paper on ways to strengthen local political leadership.

**Spending Review** The Executive endorsed the LGA's submission to SR2004 which started a series of discussions on local government's resource needs over the next 3 years. Inevitably attention focussed on 2005-06, and it was disappointing that SR2004 announced in July provided no additional resources for 2005-06 over and above what had already been provided for in SR2002. A further round of lobbying bore fruit with the announcement in the Pre-Budget Report of significant additional resources for 2005-06. Early in 2005 the Executive will agree arrangements for overseeing the LGA's submission to SR2006.

**Annual Settlements** The Executive will continue to guide the LGA's work on the annual local government finance settlement. Additional resources for 2005-06 announced in the FBR are for one year only and the challenge for LGA will be to secure these resources in the baseline for 2006-07 and future years. 2006-07 is likely to be a difficult year for local authorities. Preliminary discussions have taken place at official level on the council tax revaluation which will occur irrespective of the outcome of wider deliberations on the balance of funding. These will intensify during 2005. The revaluation could have significant implications for the local government finance system with wider policy issues arising.

**Efficiency Review** Local authorities are tasked with finding efficiency savings of 2.5% per annum, amounting to £6.5bn by 2007-08. The Executive will have a key role guiding policy on the efficiency programme working with ODFM, other Departments and partner agencies. We will need to ensure that the efforts of the central bodies and other supporting agencies are properly coordinated to help authorities achieve their efficiency targets. The Executive has agreed to the establishment of a member Task Group to guide this work.

**Trading and Charging** A member Task Group has been set up to explore the opportunities offered by the new powers to trade and charge in the Local Government Act 2003.

**Balance of Funding** The LGA published its proposals for a solution to the balance of funding problem in its combination option paper published in July. The LGA will be presenting its proposals to the Lyons inquiry and lobbying the Government to introduce a fundamental change in the funding of local government.

**Image of local government.** Ben Page from Mori is leading this project which will drive forward a concerted effort to boost the reputation of both individual authorities and local government among a range of different audiences, including local communities, the public and among opinion formers.

**Electoral Modernisation** The Executive will continue to guide the LGA's work on electoral policy influencing the forthcoming modernisation strategy. We will ensure that any new arrangements extend voter choice whilst at the same time safeguarding security and confidence in the system.

**Queen's Speech:** The LGA executive will use the bills in the Queen's speech to promote the key messages of the LGA's manifesto, as well as ensuring that local government's interests are promoted and protected.

## Improvement Board

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Local government is committed to providing high quality services and translating local aspirations into real improvements for local people. This commitment has been demonstrated in recent years with the need for improvement now firmly established at the centre of local authorities' strategies. Developing alongside this is an improvement 'architecture' which includes the shared central government and local government priorities, comprehensive performance assessment (CPA), the innovation forum for excellent councils, local public service agreements, and now the piloting of local area agreements.

It is against this background that the Improvement Board has defined its key ambitions and priorities. The Board brings together LGA's policy development and lobbying on improvement, the activities of the Performance Partnership (IDeA, EO, LACORs and 4Ps), and the activities of the joint ODFM/ LGA capacity building programme into a coherent 'offer' of advice, support, education and challenge to help councils to improve. In doing so the Board aims to tell a more robust story of local government's capacity for improvement and strong local delivery and to influence a new relationship between central and local government based on dialogue and trust.

The Board is keen to retain a strategic focus while ensuring this broad ranging agenda is covered. To this end the Board has agreed three strategic objectives, taking a lead from the challenges made in the LGA manifesto '**independence, opportunity and trust**', on which to focus efforts during 2005:

- Challenging poor performance in local authorities and supporting poor performers to improve;
- Getting the most from the new governance and funding proposals for localities such as local area agreements (LAAs), local public service boards (LPSBs) and local public service agreements (LPSAs); and
- Influencing the performance framework within which local government operates – to include significantly less inspection, intervention, and central targets and more self regulation through a combination of self assessment, peer review, and user assessment

Detailed work programmes around each objective are currently being developed, to be discussed and approved by the board in the new year. These work programmes will be overseen by the board and a number of member task groups. There will be some new work but some existing activities will continue. Key activities include:

- Leading the development of **local government's self improvement** and self regulation offer by building a consensus across local government on how local government can raise its performance management game both within individual councils and across the sector, and how local government can best build a credible national body of evidence, with customer intelligence at its core, that is owned by local government and trusted by stakeholders and government.
- Commissioning a piece of research on '**what works for improvement**' to inform the self improvement campaign above and also future lobbying and capacity building activities. This work will focus on the experiences of poor and weak councils, many of which have made significant step changes in the past two years.
- Following up its recent **inspection manifesto** 'Inspection – how does it perform' to lobby for strategic regulation – streamlined, proportionate inspection, judging outcomes not input. This will be particularly critical during the coming months of consultation on the Audit Commission's CPA for 2005 and onwards and Ofsted's proposals for joint area reviews of children and young people's services.
- Working with central and local government to ensure the ambition and local focus of **LAAs, LPSBs and second generation LPSAs** are maintained including working with the 21 LAA pilots in the coming months as they negotiate their LAA, driving the piloting of local public service boards in both LAA pilot areas and non LAA pilot areas, enabling the learning from round 1 LPSA pilots and advising on second generation LPSAs.

A crucial part of the Board's activities will be the relationships it develops with important partner organisations, government ministers, opposition party spokespersons and leading civil servants. The Board will have particular responsibilities for relationships with ODFM and key regulators. In addition the Board will also sustain and strengthen its channels of communication with the wider LGA membership.

## Safer Communities Board

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The Safer Communities Board has a wide remit covering community safety, public protection, emergency planning and the fire service. The **vision** agreed by the Board on 22 November is a long term aspiration, reflecting the LGA's Manifesto, for local government to play a central role in protecting communities through positive prevention activities. The Board wants to see local communities making key decisions on priorities. It wants funding to be adequate and flexible and to support, not control, locally agreed priorities.

The **key objectives** agreed for 2005 are:

- police reform and the review of Crime and Disorder Reduction Partnerships;
- improving the coordination and profile of regulatory services; and
- working positively to reduce youth offending (this last objective being undertaken jointly with the Children and Young People Board).

The Board works very closely with the Local Authorities Coordinators of Regulatory Services (LACORS), which also takes a lead on a number of issues such as trading standards and animal welfare. A close working relationship is also being developed with the Improvement and Development Agency.

The work on **police reform and review of Crime and Disorder Reduction Partnerships (CDRPs)** has been a priority. The LGA has been fully represented on the review bodies for CDRPs and will be submitting a response before Christmas. We will seek to safeguard the district-based CDRPs as the basic building block of community safety work, whilst ensuring the right balance of working between districts and counties. On police reform, work is concentrating on ensuring that control by communities over policing priorities and targets is maximised, and is also looking at the specific issue of local authority membership of police authorities. This is being done in close cooperation with the Association of Police Authorities.

The Board is overseeing five projects:

**A new deal for emergency planning:** this project has concentrated on lobbying on behalf of local government during the passage of the Civil Contingencies Bill through Parliament. A major success was scored when the LGA won an additional £20m of additional funding for local authorities to help them carry out their new duties under the Act.

**Ahead of the Game (Prostitution) Project.** This project has worked on developing the LGA's policy line on prostitution and looked at the way in which local government can play a key role in preventing people becoming involved in prostitution and reducing its detrimental impact on individuals and communities. A successful conference on prostitution was held on 9 December.

**Domestic Violence.** This work is being funded by the Home Office and is developing a programme to support effective partnership working and sharing best practice to improve local government and partners' response to tackling domestic violence.

**Working with the Correctional System** This is working on a broad range of recommendations designed to ensure that local government engages effectively with the correctional services to reduce the, currently high, level of reoffending. A launch conference is being organised for 3 February 2005.

**Fire Service Modernisation** This project covers the broad range of issues associated with the introduction of a flexible, risk based approach in which priority will be given to preventing fire and other emergencies. A successful seminar for combined fire authorities was held on 2 and 3 December.

The Board has also, in conjunction with LACORS been lobbying for fee levels set under the **Licensing Act** to adequately cover local authority costs, and for the **Gambling Bill** to allow local authorities maximum flexibility in deciding the number of casinos there should be in their area.

## **Children and Young People Board**

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*The Board encompasses a broad terrain across education and social care for children and young people from 0-19. The DfES is the key government department for the work as it now has responsibility for all children and young people issues with the exception of child health, including child and adolescent mental health services which the DoH has retained. The LGA has been successful in influencing the Every Child Matters agenda through lobbying on the Children Bill (now Act) and the Board is continuing to work with DfES on the guidance and broader implementation issues.*

*The DfES 5 year strategy for children and learners was published in July this year which introduced a number of policy proposals around early years, primary schools, independent specialist schools, personalisation and choice in secondary schools, 14-19 education and training adult skills and higher education. The lead members of the Board and LGA had a constructive Chatham House summit with DfES Ministers around some of our main concerns in the strategy, particularly, the 3 year ring fenced dedicated schools budget, the encouraging of more foundation schools with greater freedoms around admissions and all secondary schools becoming specialist schools. The Board will oversee a key project, Leading Learning Locally to take this work forward.*

*The Board will also be undertaking high profile lobbying work around the Education Bill which has serious implications for local authorities in its proposals to nationalise school funding and centralise the planning of school places. The Bill also makes provision for the streamlining of school inspection in line with the government's proposals for a new relationship with schools.*

*The Board has agreed its three strategic objectives around which our work programme will be focused this year.*

- *To articulate and promote a powerful strategic role for local government to achieve better outcomes for children 0 – 19*
- *to secure maximum support and flexibility for local government to deliver the radical change agenda for children and learning*
- *to consolidate the role of local authorities in joining up services (public/private/voluntary) in localities on behalf of children, young people and their families and the local community*

*The Board will receive a paper at its Board meeting in January 2005 detailing the work programme around each objective. In addition to the work outlined above, the Board currently has projects with task groups on child poverty and Building Schools for the Future and has scoped a project on Young People which will focus on the youth green paper and broader 14-19 issues and this Board will have joint responsibility with the Community Safety Board. Work is also planned around the ten year childcare strategy announced in the Chancellor's pre-budget report which places a new duty on local authorities to ensure "sufficient" supply to meet the needs of families in their areas.*

*A crucial part of the Board's activities will be the relationships it develops with important partner organisations, government ministers and leading civil servants and opposition spokespeople. The DfES will be the key Department but also with DoH, Home Office and ODFM. The Board has developed good relationships with the Children's Inter-Agency Group (police, health, social care, education, voluntary sector) and will continue to work with these organisations. The Board will continue to build relationships with governors, teaching unions, and other key partners as the projects progress.*

## Environment Board

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*The Environment Board has a wide area of interest encompassing planning, transport, waste management, housing and other environmental affairs. Bringing together the responsibilities for policy development and lobbying activities of five former executives offers the Board a very real opportunity to identify important linkages and to highlight the crucial roles of councils (working with local partner organisations) in creating and supporting genuinely sustainable communities.*

*In agreeing its priority objectives for the year and developing a work programme the Board is keen to retain a strategic focus whilst dealing with its broad agenda. Priority pieces of work are already being undertaken on meeting transport needs more effectively; on planning, housing and sustainable communities; on local environmental quality; on crucial waste management issues; and on sustainable energy and climate change.*

*The Board is already well engaged with the current Parliamentary session with Bills on railways, road safety and cleaner neighbourhoods. Parts of the Railways Bill could reduce local accountability and undermine the ability of Passenger Transport Authorities to develop integrated public transport networks. We are also lobbying about the concerns of other local authorities with this Bill and with aspects of the Road Safety Bill.*

*The recent publication of the Clean Neighbourhoods and Environment Bill is a major success for LGA work over the last 1-2 years. Over that period we have worked closely with member authorities (particularly district councils) to identify a 'shopping list' of measures we would wish to see included in legislation. We have gathered support from partner organisations and made consistent representations to ministers, officials, Select Committee enquiries etc. Virtually the entire 'shopping list' of measures has now been included in this Bill which should help councils address a wide range of local environmental quality issues.*

*The Board has agreed three strategic objectives on which to focus efforts during 2005:*

- *To ensure that local people lead the creation of sustainable communities and benefit from developments in their communities. This objective would draw on the Board's existing work on transport, planning and housing, with a particular goal of getting government to agree to new sources of local funding for infrastructure*
- *To enable local politicians to lead and change behaviour locally on environmental, sustainability and waste management issues. This objective would draw on the Board's existing work on local environmental quality, on sustainable energy/climate change and on the waste management ('Rubbish to Resource') project to highlight the importance of strengthening local political leadership*
- *To influence the final content of the European Commission's review of the European Sustainable Development Strategy. This review encompasses the full range of policy responsibilities of the Environment Board and offers the prospect of obtaining changes to EU policy making with benefits for UK local government.*

*Detailed work programmes are being drawn up for each objective and member task groups will oversee work on sustainable communities, planning reform, transport issues and rubbish to resource initiatives. In addition, other mechanisms to involve councillors from across the membership of the LGA are being explored*

*A crucial part of the Board's activities will be the relationships it develops with important partner organisations, government ministers and leading civil servants and with opposition party spokespersons. The Board will have particular responsibilities for relationships with DfT, Defra and parts of ODFM. In addition, the Board recognises that, in many instances, the LGA can have the greatest level of success for all the councils that it represents by focusing, in good time, on events in Europe as well as in UK. This is particularly true of many environmental issues and we have had notable recent successes of 'getting ahead of the game in Europe' on waste and transport issues. The Board will aim to continue to do this*

## Regeneration Board

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The Regeneration Board has responsibility for LGA activity in the areas of the economic development and regeneration of communities; including issues of tourism, culture, relations with Regional Development Agencies and other relevant organisations.

The Board met for the first time in September 2004. Three priorities for the coming year have been agreed as follows:

- **Local Government Relations with Regional Bodies.** Work to examine the relationships between local government and regional bodies with a view to enhancing the role Councils play in implementing regeneration, cultural and tourism activities
- **Building the profile of Councils and sharing good practice** in regeneration, cultural and tourism activities through conferences, guides and networks
- **Work to increase the funding and resources available to Councils** in implementing regeneration, cultural and tourism activities

The Board is keen to engage the views and inputs of a wide range of members into these priority pieces of work and is establishing special task groups to help take work forward on regional devolution, business improvement districts (BIDs) and on improved funding for sport and culture.

A new diagnostic tool has recently been produced to help local authorities act as facilitators of rural regeneration. Produced with IDeA, Defra and the Countryside Agency, the toolkit shows authorities how to assess their rural activities and to determine what actions they need to take to become effective facilitators

The recent review of the LGA's member structures recognised that tourism is an issue of major concern to a significant group of authorities. Following consultation with member councils it was agreed that a special 'Tourism Forum' should be established. The Forum will support the work of the Regeneration Board on tourism issues and act as a consultative body to inform the Board's work on tourism policy as well as providing an opportunity for the Association's wider membership to engage in LGA business. The first meeting of the Forum is due to be held in London on Monday 31 January 2005 – twinned with the special LGA/DCMS "Fitness for Purpose" conference on Tuesday 1 February.

Members may also wish to make a note of the forthcoming LGA Annual Cultural Services Conference which is to be held in Newham on 17-18 March. The event should provide an opportunity to look at the wider role that local government can play through the provision of cultural services and consider how this provision can contribute to the well-being agenda.

The new Board is particularly keen to maintain effective relationships with important partner organisations, government ministers, leading civil servants and opposition party spokespersons. The Board will have particular responsibilities for relationships with DTI and DCMS, and has already had a successful meeting with the DCMS ministerial team (at which it considered items on the Olympics Bid and the future of libraries as well as discussing the Board's main priorities described above). In addition the Board recognised, at its first meeting, that there is an important European dimension to its work and members are keen to ensure appropriate connections are maintained with EU.

## Community Well-being Board

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*The LGA's Community Well-being Board's strategic objectives for 2005 are to:*

- *secure formal recognition of a leading role for local authorities in improving public health across all communities;*
- *ensure that community leadership and commissioning roles for local authorities remain at the heart of the government's vision for adult social care; and*
- *lobby for adequate resources for the council services covered by the Board and maximum flexibility in the use of these resources*

### **Public Health**

*On 16 November the Government published the Public Health White Paper, "Choosing Health Making Healthy Choices Easier". Our initial response has been to welcome the broad thrust of the paper but to be concerned about the slant towards the NHS and the lack of clarity about implementation and resources for local authorities*

*In September 2004, the LGA, with the NHS Confederation and the UKPHA published "Releasing the Potential for the Public's Health". We will, where appropriate, continue to work collaboratively with our partner organisations, using the messages from "Releasing the Potential for the Public's Health" as the basis for our lobbying.*

*The LGA will continue to lead the Health Inequalities Shared Priority project by encouraging innovative practice and ensuring that its outcomes are disseminated widely.*

### **Vision for adult social care**

*On 1 December 2004, the LGA/ADSS/NHS Confederation published "Our future in our hands: putting people at the centre of social care". This has been published in advance of the Government's Green Paper on adult social care, expected to be published in the new year.*

*The paper places local government in a clear leadership role on this agenda. Among the 17 recommendations put forward are:*

- *a review of social care funding to clarify and simplify the current system;*
- *the creation of local strategic commissioning units to co-ordinate work at a local level; and*
- *a long term shift in resources from acute care services to ones which are preventative and community-based.*

*We are also planning to set up an inter-agency group on the vision for adult social care, along the lines of the successful inter-agency group established to progress the children's agenda.*

### **Resources**

*In September 2004, the ODFM announced its overall allocation for the **Supporting People** programme for the next three years (starting 2005/06). We are seeking a meeting in the new year with Yvette Cooper, the responsible minister for Supporting to discuss the impact of the allocations for 2005/06 and the longer term pace of change for the programme as a whole.*

*The LGA is engaged with the Department of Health on the **efficiency review** for adult social care and we are working with partners to ensure that learning is disseminated properly.*

### **Other issues**

*Other issues identified by the Board as important include mental health, lifelong learning, lobbying for a Single Equalities Act and asylum/immigration issues.*

## Rural Commission

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### Remit

*The Rural Commission provides the forum within the Association for member authorities with an interest in rural affairs. The purpose of the Commission is to:*

- *provide the forum in which rural authorities can discuss matters of common concern and exchange good practice and experience;*
- *assist the LGA take into account the needs, priorities and aspirations of rural authorities in formulating and promoting its policies;*
- *help the LGA to promote the role and interests of rural authorities and the ability of those authorities to meet the needs of the communities they serve.*

### Activity

*Successfully influencing Lord Haskins' review of rural delivery arrangements, to promote the role of local authorities, was followed through by the publication of the Government's Rural Strategy 2004, which acknowledged local authorities community leadership role and secured local authority led rural pathfinders to test practical ways of improving local delivery and trial new ways of working.*

*Influencing the implementation of the Strategy will continue to be an important issue in the forthcoming year. The **Rural Strategy** took steps towards devolution, by recognising 'one size does not fit all', but this needs to be taken further ensuring national and regional structures and processes facilitate local action to meet the demands of local people and that there is devolution of funding to local delivery partnerships, enabling more freedom and flexibility for delivery. In influencing implementation of the strategy the aim is to pursue the principle of devolution to ensure a strong local government contribution to rural delivery through:*

- *the successful establishment and development of the local authority led rural delivery pathfinders with a commitment from the government to roll out successful outcomes, removal of barriers etc. to the benefit of all local authorities*
- *the cultural and practical changes in implementing the rural regional/local delivery arrangements having a strong local government awareness and involvement*
- *contribution to the development of the revised funding streams review to enable them to be integrated and accessible at the local level*
- *ensuring in the development of a new Integrated Agency there is an understanding of local government and it develops improved ways of working with local government*
- *influencing the activities seeking better regulation*

**The rural dimension to local public service agreements** – together with the Countryside Agency, Defra and the LDeA, practical briefing sheets on developing a rural dimension to LPSAs have been produced and will be promoted during the second generation period both to local authorities and across Whitehall.

**Rural economies** – the LGA has been pleased contribute to the work undertaken by the eight beacon councils for 'supporting the rural economy' which resulted in a publication promoting the role of local authorities in effective facilitation and a toolkit for authorities to assess their work in this area and look at how new and enhanced services can be cost effectively provided.

The LGIB/LGA has been involved in consultation on the proposals for the **European Agricultural and Rural Development Fund**, in particular stressing the need for the priority axis within the fund for 'enhancing the quality of life in rural areas', to be an important part of the proposals and not an optional axis. Work will continue to ensure that local government will be involved in the consideration of a national strategy plan and content of the rural development proposals.

A briefing on local government's shared agenda with the food and farming community is being produced and will also be the subject of a conference in the Spring.



## **Urban Commission**

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*The LGA Urban Commission is open to all LGA authorities whose areas are wholly or partly urban. It currently has 279 members and this breadth of membership means it can speak for towns, cities and districts of all sizes and provides an unrivalled forum for sharing good practice in urban policy.*

### **LGA Business plan 2005**

*At its meeting in January 2005 the Commission will consider how it can contribute to delivering the strategic objectives identified in the business plan which have particular relevance for urban authorities. It will also identify the LGA projects of particular interest from the urban perspective.*

### **How to spread the benefits of town and city centre renewal**

*The Urban Commission and the Special Interest Group of Municipal Authorities (SIGOMA) are collaborating on a project which comes under the remit of the Regeneration Board on 'How to spread the benefits of town and city centre renewal'. It aims to discover whether urban areas outside town and city centres are benefiting from urban renewal and to identify the policies that are needed to ensure that they do. URBED (the Urban and Economic Development Group) has been commissioned to undertake a review of existing studies to see the lessons that can be learned; a survey of the views of 150 authorities; and roundtables for local authority practitioners. The conclusions of the first part of the research will be presented at an LGA/SIGOMA fringe meeting at the ODPM sustainable communities summit to give delegates an opportunity to participate in the debate. The second stage of the project will look at the issues in more detail by using case studies of a small number of authorities. The final report will be presented to an LGA conference in May 2005.*

### **ODPM sustainable communities summit – 31 January to 2 February 2005**

*The Urban Commission usually holds its annual urban conference in January/February but, to avoid clashing with the sustainable communities summit, has decided instead to contribute to the planning of the ODPM event to ensure that the role of local government is properly highlighted. LGA Chairman Sir Sandy Bruce-Lockhart will take part in a plenary session and the LGA is leading on one of the workshop sessions. About 18 of the 24 workshops will have local government input and the LGA will have a stand at the summit exhibition and will host a fringe event (see above).*

### **The future of neighbourhood renewal funding**

*The Commission has taken a particular interest in the future of the Neighbourhood Renewal Fund (NRF) and leading members met with Lord Rooker, Minister for Regeneration and Regional Development on 13 September. The Commission will contribute to the formal consultation on the allocation of the extra two years of NRF announced in the 2004 Spending Review, which is expected to begin in mid-December.*

### **EU thematic strategy on the urban environment**

*The EU is developing a thematic strategy on the urban environment and the Urban Commission contributed to an initial LGA response in April 2004. The key issue is a proposal for two binding EU Directives which would require all European capitals and cities and towns with over 100,000 inhabitants to have environmental management plans and sustainable urban transport plans. The LGA supports the aim of tackling the problems of the urban environment but does not believe that imposing mandatory plans on local authorities is the most appropriate mechanism to secure improvements. There will be a further round of consultations on the thematic strategy in 2005 and the LGA will work with LGIB, ODPM and EU institutions to promote a less prescriptive approach.*

## European and International Affairs Panel

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At its meeting of 23<sup>rd</sup> November, the E&I Panel agreed as its three strategic objectives:

- Promoting subsidiarity and decentralisation in line with the European Charter of Local Self Government, in all key areas for public policy, including our negotiations on regional competitiveness (the Lisbon Agenda) and sustainable development.
- Assisting local democracy and good governance in developing and transitional countries, to promote stable government, help efforts to resolve conflict and make a meaningful contribution to eradicating poverty.
- Identifying transferable good practice in governance and policy, to assist local government in its effort to build up a sound body of evidence for its lobbying of the Government, European and international bodies.

A robust communications strategy will underpin these three objectives.

### International Priorities

In 2005 there will be three key events where the LGA/ LGIB will be represented:

- The first meeting of the World Council of the United Cities and Local Governments in June, in Beijing
- UK Commission for Sustainable Development (implementing the Johannesburg agenda) in April; and
- UN Summit on the millennium development goals in September.

The LGIB's continuing projects include:

- DFID-funded, CLGF- managed good practice schemes with the South African LGA and All India Council of Mayors
- Work in Kosovo, Macedonia, Uganda and Sierra Leone; and
- Hosting a major visit from the association of Bolivian municipalities in January.
- New projects will hopefully be developed in Romania, Bulgaria and Syria.

A revised international development policy will ask UK local authorities to strengthen their commitment to international links and development projects. The LGIB will continue on partnerships and twinning via the EU funded LOGON programme. The LGIB is also active in the CEMR Twinning Network and will help EU funding for twinning after 2006.

### European priorities

The priorities for next year, most of which are a continuation of this year's work include:

- Shaping the Future of Europe: promoting better dialogue and consultation at European and International level, improving links with the European Parliament.
- Promoting the values of local democracy: Charter for Local Self Government.
- Influencing law and policy: public procurement, internal market, sustainable development, transport, environment, energy, social and employment policy, information society, structural funds negotiations for 2007-2013.
- Promoting good practice including via a conference programme, a publications schedule, new website development and involvement in studies via CEMR
- Developing a strong programme for the UK presidency of the EU, June – Dec 2005.
- Providing input on local democracy to the Council of Europe's 3<sup>rd</sup> Summit in May.

Task group: The Panel will continue the work of the Reflection Group on Regional Policy, which used to be run under the aegis of the Economic Regeneration Board.

## Human Resources Panel

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Members of the LGA Human Resources Panel also serve as members of the Board of Directors of the Employers' Organisation for local government. The new chairman of the HR Panel is Councillor Rory Love and the EO's new Executive Director is Rob Pinkham.

Priorities agreed for 2005-06 are to:

- Help local authorities drive forward the people management implications of improving efficiency and raising productivity in the sector
- Develop and help implement the Local Government Pay and Workforce Strategy
- Implement the modernisation opportunities created by the groundbreaking national pay agreements

### Raising productivity

The efficiency gains, which the Gershon Review calls for, are certainly challenging for the sector, but are more achievable if councils effectively manage and develop their workforce. We have identified three key ways in which effective people management can increase efficiencies, maximise productivity and improve the quality of services. These are:

- reducing sickness absence levels
- cost-effective recruitment, and
- re-shaping rewards and working time.

The EO has produced a guide to help authorities share good practice in these areas, which provides an executive checklist that authorities should address if they are to improve their gains. Specific recommendations include the checking of previous absence records of candidates, the increased use of e-recruitment initiatives and reducing expenditure on premium wage rates.

### Developing the Local Government Pay and Workforce Strategy

A strategic approach is needed to develop a workforce that is skilled and flexible enough to deliver improved services. Developed by the EO, on behalf of the HR Panel and with the ODFM, the Local Government Pay and Workforce Strategy is supported by all the key players in the sector, including the Cabinet Office's Office for Public Services Reform, most councils and regional employers' organisations. Version three of the Strategy will be drafted by March 2005 and will have a stronger focus on the efficiency review, diversity and the indirectly employed workforce. It will also consider the links with overlapping pay and workforce strategies, such as those covering the children's workforce, social care and the fire service.

### Implementing pay modernisation

Currently the local government pay bill stands at £14.7 billion for the country's 1.3 million local council workers. This year's groundbreaking pay deals agreed 3 year settlements, of increases at under 3% p.a, and with agreement from the unions to a six-point reform plan. Authorities will need support and guidance in implementing this reform plan, which includes conducting local pay reviews, adopting local workforce development plans, replacing prescriptive premium rates (for shift, evening, overtime and weekend working) with a set of principles (as recommended by the 2003 Pay Commission report), and a new agreement on shared principles for modernisation and improvement.

The key current policy issue being considered by the HR Panel concerns the proposed changes to the **Local Government Pension Scheme**. The EO will be undertaking a series of seminars to be held throughout England and Wales in January next year to consult authorities on these changes.

Further information can be found on the EO's website at [www.lg-employers.gov.uk](http://www.lg-employers.gov.uk)