

20 July 2010

New Governance Arrangements and the Improvement Programme Plan 2010-11

Summary

As part of the *Getting Closer* programme, changes are being made to strengthen the political governance of the LGA Group. This report outlines these changes as they affect the Improvement Board – similar reports are being submitted to other Boards. These changes will formally come into effect from September when the Board will become the Programme Board for Improvement. The report also presents an LGA Group Improvement Programme Plan for 2010-11, **attached** at Appendix B.

Recommendations

Members are asked to:

- Note the report and the LGA Group Programme Plan for Improvement
- Consider inviting Directors appointed to the Local Government Improvement and Development Company Board to attend the Improvement Programme Board as advisory members
- Consider the remit and ways of working for the new LGA Group Improvement Board; and
- Confirm those aspects of the Programme Plan they wish to consider at Board meetings during 2010/11

Action

- Officers to incorporate Members' views into their work on the Improvement Programme plan.

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Getting Closer – Governance

Background

1. *Getting Closer* is a major change programme across the LG Group, which aims to ensure that the Group is effective, delivers greater value for money and enhances the reputation of local government, by being more focused on councils and more integrated.
2. Effective political governance is absolutely crucial to this. The LGA Executive has therefore agreed to a number of specific changes to strengthen the LG Group governance arrangements to give councils more influence and ensure stronger political direction of the Group and better coordination. Specifically, members agreed:
 - to strengthen the Executive to become the new governing body that sets the strategic direction and priorities for the Group, with expanded membership to include regional representatives, the three special interest groups representing district, county and metropolitan councils, and the chairs of the central body boards;
 - to establish a governing body for the LGA, in place of Office Holders.
 - to replace Strategy & Finance Policy Review Group with a new member briefing, as a more effective means of holding the LGA Group to account;
 - to maintain the Rural and Urban Commissions and Fire Services Forum and Management Committee;
 - to create nine Group programme boards, (including an Improvement Programme Board), in place of the LGA policy boards, to deliver the business plan priorities through more active engagement with councils and to strengthen the link between improvement and policy/lobbying (through common membership with central body boards where relevant – see below);
 - to clarify the central body board roles and change the Local Government Improvement and Development Company Board membership to 5 members (one from each group plus Welsh LGA) and 3 other directors (plus a CLG representative);
 - that the lead members on the Improvement Programme Board would also be the LGA appointed members of the Local Government Improvement and Development Board. The LG Improvement and Development Board also includes Directors that are not LGA appointed councillors but are notable figures from the public and private sectors. It is suggested that they attend the Improvement Programme Board in a non-voting capacity.

3. In light of these governance changes, the LGA Constitution, standing orders and political conventions have been significantly amended and agreed by the July General Assembly. For further details, see the March 2010 Executive Agenda: <http://www.lga.gov.uk/lga/aio/9556709>.

Operation of the new governance arrangements

4. From September 2010 the LGA Improvement Board will become the LG Group Improvement Programme Board. The purpose of the new Board is to provide strategic oversight of all the LG Group's policy and improvement activity in relation to improvement in line with the LG Group priorities. A copy of the generic Terms of Reference for Programme Boards is **attached** at Appendix A.

How is this different?

5. The Boards will have **responsibility for more than just policy**. They will provide oversight of all the activity across the Group in relation to improvement. This will require the Boards to have a thorough understanding of council priorities and performance in their areas of responsibility, using strong networks and robust information. For the Improvement Board it means that the Board will need to consider how best to relate to other Boards with specific improvement responsibilities.
6. The **business plan will determine what the Boards do in a much more explicit way** than before. The Board will have clear responsibility for overseeing a programme of work to deliver the strategic priorities set by the LG Group Executive. That also means the Board will have a responsibility to shape the LG Group Business Plan by ensuring the priorities of the sector are fed into the process.
7. There is a much **stronger emphasis on being more outward focused and connected to councils** (through task groups, Commissions, Special Interest Groups, regional networks and other means of wider engagement). Boards are encouraged to find their own most effective way of working and not be restricted by formal meetings in London on a set timescale (but with a guide of 4 formal meetings a year);
8. The new **Group Executive will be much more representative of local government**, with regional and special interest group representatives. This provides an excellent forum for programme boards to seek views from across the sector on key issues for which the board is responsible.

Issues for members to consider

9. Members might wish to consider the following questions to help prepare for the transition to the new way of operating:

- How will members ensure they develop an evidence-based understanding of the performance issues, improvement needs and priorities of the sector?
- How can the board ensure stronger connections to councils? e.g. regional groupings, portfolio holders, use of task and finish groups,
- What might be the most effective way of working for the new board? e.g. board meetings outside London, presentations from councils or stakeholders, use of technology to improve communications,
- How should the Improvement Board develop working relationships with other Boards that now have specific improvement responsibilities?
- What subject areas lie within the board's responsibility? Are there areas of overlap/duplication that need to be resolved?

Improvement Programme Plan 2010-2011

10. Building on the first LGA Group Business Plan for 2009-2010, the Business Plan for 2010-2011 has provided further opportunities to plan work across the Group. The Group Business Plan provides a context in which to do this, identifying five core priorities:
 - reputation - building the reputation of councils;
 - the economy;
 - innovation and value for money - supporting councils to deliver value for money;
 - local democracy - ensuring local decision-making is at the centre of debate;
 - customer service - having an Local Government Group fit for service.
11. These priorities were discussed at a Lead Member away day, which then informed the Group Business Plan which was agreed by the LGA Executive in January 2010.
12. The Board's work features in the Reputation, Innovation and Value for Money, Local Democracy and Customer Services priorities of the Group Business Plan.
13. Since the Group Business Plan has been finalised, draft programme plans for each board have been drawn up setting out how the range of activity for each board during 2010/11 supports the themes in the LG Group Business Plan. This provides, for the first time, a comprehensive picture of related activity in all parts of the Group. The draft programme plan for Improvement for 2010-11 is **attached at Appendix B**.
14. Members are invited to identify a small number of key issues over which they are particularly keen to consider and influence through discussions at the Board – this might, for example, include
 - The national productivity programme
 - Sector led regulation and improvement – including data

- Localism – feeding views through to the LGA Executive
15. The Programme Plan will also inform the development of a programme of one day Conferences and seminars.
 16. Priorities will need to be kept under review in light of the new government's policies to ensure that any commitments of relevance to local authorities are factored into the Board's work if necessary.
 17. The Board will receive regular updates from officers across the LG Group on progress against the Programme Plan, and alongside the routine reporting of key campaigning, lobbying and policy issues to the Board this will ensure the Board is kept informed of any developments around the delivery of the Plan.

Financial Implications

18. The new governance arrangements are not expected to have any significant financial implications.

Implications for Wales

19. The proposals outlined above would strengthen recognition and involvement of the WLGA through a new LGA Constitution, with a seat on the LGA Group Executive whilst retaining its membership of the central body company boards.

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LGA Improvement Programme Board Remit and Terms of Reference

Remit

The purpose of the Improvement Programme Board is to provide strategic oversight of all the LG Group's policy and improvement activity in relation to councils improving their performance and productivity and in relation to localism – in line with the LG Group priorities.

In doing so it will work closely with the LG Group Programme Boards on the performance of the sector in their subject areas and the arrangements they are putting in place to provide improvement support and will provide strategic direction to the sector's own improvement architecture (e.g Regional Improvement and Efficiency partnerships and the RIEP Member Forum) and receive progress reports from them.

Terms of Reference

Programme Boards should seek to involve councillors in supporting the delivery of these priorities (through task groups, Rural and Urban Commissions, Special Interest Groups (SIGs), regional networks and other means of wider engagement); essentially operating as the centre of a network connecting to all councils and drawing on the expertise of key advisors from the sector.

The Improvement Programme Board will be responsible for:

1. Developing a thorough understanding of council priorities and performance across the width of councils' responsibilities, using strong networks and robust information.
2. Helping to shape the LGA Group Business Plan by ensuring the priorities of the sector are fed into the process.
3. Overseeing a programme of work to deliver the strategic priorities set by the LG Group Executive, covering lobbying/campaigns, research/policy, good

practice, improvement support and events – as specified in the business plan, taking into account linkages with other policy boards where appropriate.

4. Representational and lobbying activities on behalf of the LG Group and responsibility for the promulgation of activity through public statements in its areas of responsibility.
5. Building and maintaining effective relationships with key stakeholders.

The Improvement Programme Board may:

- Appoint members to relevant outside bodies in accordance with guidance in the Political Conventions.
- Appoint member champions where appropriate (who must be a current member of the Board) on key issues, with responsibility for liaising with portfolio holders on key issues that require rapid response/contact with councils.