

Note of decisions taken and actions required

Title: LG Group Executive
Date and time: 2pm, Thursday 9 December 2010
Venue: The Westminster Suite, Local Government House

Attendance

An attendance list is attached as an Appendix A to this note.

Item	Decisions and actions	Action by
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1 The Localism Bill

Jo Miller introduced this item. Because the Bill had not been published, it was too early to discuss a formal response at this stage. However there would be an informal discussion at the end of the meeting.

2 Waste: developments since the General Election

Cllr Gary Porter introduced this item, which summarised the main developments on waste policy since the General Election, and the key points made in LG Group's response to Defra's review of waste policy.

Martin Wheatley, Programme Director, LGA, stressed that there were some key wins and risks for local government in the review. The LGA is working closely with the Defra officials who will carry out the review.

Members referred to a number of issues to raise during discussions with Government. They endorsed the LG Group position on the significance of waste and resources in the local economy and stressed the need to give councils a more active role on business waste and autonomy on collection methods.

Decision

*Members **noted** the contents of the report.*

3 Governance of Cross Border and National Trading Standards Enforcement

Item 6

Cllr Paul Bettison, Chair, Local Government Regulation, introduced this item which outlines a very early proposition for the LG Group to take over the governance of certain trading standards functions. This work is currently overseen by the Department for Business, Innovation and Skills (BIS), who had invited the LG Group to consider taking this work forward.

Derek Allen, Executive Director, Local Government Regulation, detailed these proposals to Members and stressed that whilst there were many pros in taking this work on, the risk to councils of potential costs incurred from taking on large scale enforcement cases would need to be mitigated.

Members made a number of detailed comments which were noted by officers.

Decision

Members agreed that LG Regulation officers should continue to explore possible options with BIS.

4 The Future Organisation of the Group

Gary Porter, Paul Bettison, Robert Light and Stephen Houghton declared a prejudicial interest in this report and were absent for the remainder of this item.

David Parsons, Jill Shortland, Richard Kemp, Steve Bullock, Peter Fleming and Keith Mitchell declared a non-prejudicial interest in this item.

John Ransford, Chief Executive, introduced this item, which describes the latest stage of the Getting Closer programme and a draft structure for an integrated organisation to support, promote and improve local government at a substantially reduced cost. John also highlighted the average 13% reduction in membership subscriptions, agreed by the LGA Leadership Board on 8 December, which would be effective from April 2011.

Members made a number of detailed comments, which were noted by officers, including:

- It is essential for the sector that the LG Group maintains levels of service during the transition process.
- Some Members expressed concern about cuts to specific areas of

Item 6

the Group and these will be fed into the consultation. John responded that the plans for the organisation must be sustainable and that protecting some roles would mean additional staff losses elsewhere.

The Chair thanked the staff of the LG Group for their professionalism and continued commitment to local government in this difficult time.

Decision

Members noted the draft proposals.

Action

A further report to be brought to the LG Group Executive at the end of the consultation period.

Chief
Executive

5 Coalition Government Business Plans

Jo Miller introduced this item which sets out the coalition Government's business plans, including main themes and timescales. The plans are a key aspect of the Government's transparency agenda, giving the public access to information to enable them to hold Government to account. Jo informed Members that this item should be considered in conjunction with the items on Local Government Resource Review and Welfare Reform to inform future work programmes and lobbying.

The LG Group is aware of, and actively engaged in, the elements of the business plans that relate to local government, and will continue to seek as many opportunities as possible to influence policy before legislation is introduced.

Decision

Members noted the report.

5a Welfare Reform

Paul Raynes introduced this report setting out the Government's proposals for welfare reform, which will reallocate responsibilities for welfare benefits between central and local government, and potentially allow councils to decide who pays more for council tax, and who less. However, a number of decisions remain to be taken that will affect local benefit claimants and councils' benefit role. This is therefore an opportunity for the LGA to secure the best possible outcome for local communities.

Item 6

Members made a number of detailed comments which were noted by officers and will be incorporated into our lobbying approach. Key issues included:

- Council tax benefit – more clarity is needed about how the 10% cut that comes with localising the funding for council tax benefit could be achieved, and what risks would transfer along with the funding from central Government.
- General support for the idea for a ‘Universal Credit’ to replace all non-contributory working-age benefits and tax credits. However, members stressed that local government should have control over this, as it would simplify the benefits system and leave less room for errors and ‘playing the system.’
- Changes to these systems (for example changing contracts and suppliers) come at a cost, and therefore the Government needs to conduct a proper assessment of the financial viability during a harsh financial time for most local authorities.
- Local authorities are best placed to work with their residents who are pensioners or have ‘complex needs’, and this should be emphasised to Government when discussing the future council role in their housing benefit.

Decision

Members agreed the lobbying objectives set out in the report.

5b LG Group Resource Review: local retention of business rates

Stephen Jones, Finance Director, LG Group, introduced this item and gave a presentation on the Government’s exploration of the potential for retaining business rates locally, which was examined in the White Paper ‘Local growth: realising every place’s potential.’ The review is due to launch in January and will run for about 6 months. Some of these ideas are in line with changes previously advocated by the LGA.

Stephen’s presentation is circulated with these minutes. Stephen described how the new approach would work through a new needs assessment which would replace the ‘four block model’. However, there are risks involved with this - according to one model 77 authorities would pay into a pool and 343 would receive from it and there could be losers as well as winners.

Members made a number of detailed comments which were noted by officers, with a diversity of views around the table. Members emphasised that the LG Group should not take a lobbying position on

Item 6

the redistribution of rates, which could lead to unfairness between local authorities who have varying levels of need.

Decision

Members agreed that officers should continue to consult with member authorities and CLG on issues around this review.

Action

- Officers to update the Executive on progress at a later date.

Stephen
Jones

6 Note of LGA Leadership Board

Decision

Members noted the minutes.

7 Note of the last LG Group Executive meeting

Decision

Members agreed the note of the last meeting.

Part ii – CONFIDENTIAL

Date of next meeting:

Thursday 13 January at 10.00am in Local Government House.