

Note of decisions taken and actions required

Title:	LG Group Executive
Date and time:	Thursday 16 June 2011
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	Health and Social Care Bill: update on progress of health reforms	
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Cllr David Rogers OBE, Chair of the Community Wellbeing Programme Board, introduced this item which updates members on the progress of the Health and Social Care Bill, summarises LG Group parliamentary activity on the Bill and other current and planned activity related to the health reforms. Cllr Rogers informed members that although more detailed amendments would be announced later in the month, the proposed changes to the Bill maintain local flexibility and strengthen the role of Health and Wellbeing Boards.

On behalf of the LG Group Executive the Chairman thanked Cllr David Rogers and the Community Wellbeing team for their hard work to ensure that the voice of local government was heard at all stages of the Bill's process.

In discussion, Members raised the following key points:

- Members welcomed the proposed amendments to Health and Wellbeing Boards, particularly with regard to the changes which will enable them to refer commissioning plans back to clinical commissioning groups or the NHS Commissioning Board for further consideration, where this is deemed necessary.
- Members expressed some concerns about the Bill's lack of reference to social care integration and the threat to current integrated arrangements between PCTs, councils

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and other providers, and supported further lobbying by the LG Group for the clarification on commissioning 'Cinderella services', in particular for local authorities to commission these.

- Members expressed concern with the proposals to separate responsibility for children's health from adult's health, particularly the proposal to transfer responsibility for children's health away from local authorities.
- Members raised concerns that some proposals in the Bill set out extremely short timescales for implementation, which could lead to resource capacity issues for both the NHS and local government.

Decision

The Executive noted the current and proposed LG Group activity in relation to the Health and Social Care Bill and the wider health reforms.

Action

- Officers to take forward Members' comments in lobbying activity on the Bill.

2 Local Government Resource Review

Stephen Jones gave a presentation to the Executive which summarises the sector's responses to the LG Group's consultation on the LGRR and sets out our proposals for future steps. Stephen informed members that many councils' responses set out some of the key risks of the current system for local government – that government continue to reduce formula grant, made up largely of NDR, while the yield from business rates continues to grow in line with RPI. No council's response stated that they wanted the current financial system to be maintained and there was a significant appetite for reform.

In discussion Members made the following comments:

- There was broad consensus that although councils should be rewarded if their efforts to grow their local economies succeed, this should be balanced by adequate safeguards for authorities whose local revenue base would not match spending needs, or whose revenue base would not be able to keep pace with spending pressures. However, it was also pointed out that many authorities start with poor

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- prospects for growth, and for these councils there needs to be very significant additional support to assist with rebalancing in order to address the gap over time.
- Members agreed that the LG Group should focus on both the short term and long term reform of the local government finance system. Short term proposals should be based upon what is achievable in the current context, but the LG Group should also continue to lobby to extend the tax base of local authorities, as well as seek a consensual framework for alternative ways of investing for infrastructure.
 - Members discussed the need for further discussions with businesses and with the Confederation of Business Industry to address any opposition by the business sector to proposals for the relocalisation of business rates.

Officers thanked Members for their comments, which would be used to help shape the LG Group's response to the Government consultation.

Decision

Members noted the results of the LG Group's LGRR and authorised officers to develop a proposal for localisation of business rates to be launched at the LG Group Annual Conference, subject to clearance by the Leadership Board.

Action

Officers to formulate the LG Group response to the Local Government Resource Review in line with Members' steer.

Stephen Jones

3 The Localism Bill

Jo Miller introduced this item which updates the Executive on the current status of the Localism Bill and suggested areas for the Local Government Group to continue to lobby as the Bill progresses through the House of Lords. Jo added that there was strong cross-party support for the Bill in the House of Lords and that LG Group lobbying had played a significant role in informing many peers about the key issues in the Bill for local government.

Members agreed with the areas of focus for LG Group lobbying and the Chair thanked all colleagues for their continued work on the Bill.

Decision

*The Executive **endorsed** the lobbying positions set out in the report.*

4 Annual Report of the LG Group Audit and Scrutiny Panel

Cllr Ian Swithenbank CBE, Chair of the LG Group Audit and Scrutiny Panel, introduced this item which reviews the internal audit programme for the Group and the audited financial statements for 2010/11 for the LGA, the Local Government International Bureau and the LGA property companies which have received an unqualified audit opinion.

Members discussed the Scrutiny function of the Panel and agreed that the success of the current scrutiny arrangements should be reviewed as part of the wider governance review in the autumn.

Decision

*Members **reviewed** the first annual report of the Group Audit and Scrutiny Panel.*

5 Note of last LG Group Executive meeting

Members **agreed** the notes of the last meeting.

As the last meeting of Baroness Eaton as the Chairman of the LG Group Executive, Members put on record their appreciation for her exceptional chairmanship of the organisation and strong advocacy for local government over the last 3 years.

Date of next meeting

The next meeting will take place on Thursday 14 July 2011 at 10.00am.

**Appendix A
Attendance List**

Position	Councillor	Council
Chairman	Baroness Eaton DBE	City of Bradford MDC
Vice chair	David Sparks OBE	Dudley MBC
Vice chair	David Shakespeare OBE	Buckinghamshire CC
Vice chair	Keith Ross OBE	West Somerset Council
Deputy chair	Gerald Vernon-Jackson	Portsmouth City
Deputy chair	David Parsons CBE	Leicestershire CC
Deputy chair	Gary Porter	South Holland DC
Members	Baroness Ritchie	Kensington & Chelsea RB
	William Nunn	Breckland Council
	Paul Carter	Kent CC
	Angus Campbell	Dorset CC
	Philip Atkins	Staffordshire CC
	Martin Hill OBE	Lincolnshire CC
	Keith Mitchell CBE	Oxfordshire CC
	Robert Gordon DL	Hertfordshire CC
	Peter Fleming	Sevenoaks DC
	Mayor Sir Steve Bullock	Lewisham LB
	Mehboob Khan	Kirklees MBC
	David Wilcox OBE	Derbyshire CC
	Sir Richard Leese CBE	Manchester City
	Stephen Houghton CBE	Barnsley MBC
	David Rogers OBE	East Sussex CC
	Edward Lord JP	City of London
	Mayor Jules Pipe	Hackney LB
Substitutes	Ann Lucas	Coventry City
	Bob Dutton OBE	Wrexham County BC
	Linda Thomas	Bolton Council
Apologies	John Davies	Pembrokeshire BC
	Lord Peter Smith	Wigan MBC
	Robert Light	Kirklees MBC



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Richard Kemp
Paul Bettison
Roger Stone OBE
Chris White
Sharon Taylor
Steve Reed

Liverpool City
Bracknell Forest BC
Rotherham MBC
Hertfordshire CC
Stevenage BC
Lambeth LB