

## Note of decisions taken and actions required

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<b>Title:</b>	LGA Executive
<b>Date and time:</b>	Thursday 13 October 2011, 2.15pm
<b>Venue:</b>	The Westminster Suite, Local Government House

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### Attendance

An Attendance list is attached as **Appendix A** to this note.

Item	Decisions and actions	Action by
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<b>1</b>	<b>Local Government Resource Review</b>	
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Stephen Jones, Finance Director introduced this item, setting out the key issues for local government finance in the Government's funding proposals and an outline of the suggested LGA response to the Government's consultation.

Members raised a number of issues, including:

- Whilst some members had significant concerns, the current proposals had the potential to give councils greater control over their funding base and represented a major opportunity.
- A key objective of business rates localisation should be to incentivise growth for local communities.
- The extent of the "set-aside" arrangement, under which the Treasury would retain part of the income from business rates until 2014-15. Members felt this would be a barrier to local growth by limiting the incentive to grow business rates, and should be challenged.
- The need for fairness in the current proposals. It was suggested that equalisation and 'resets' at least as frequently as revaluations, enshrined in legislation, and indexed tariff and top-up amounts would be required to deliver appropriate safeguards for authorities with poor prospects for growth, to ensure any funding gap was addressed.
- The efficacy of business rates yield as a measure of growth.
- The timing of the changes was questioned by some members. The current proposals would be implemented in conjunction with the changes to the Welfare system, and it was queried whether

- there would be sufficient time to implement them effectively.
- Some members questioned whether further powers to raise additional local tax revenue might be considered in the future.

Members commended the work done by Stephen Jones and the finance team.

### ***Decision***

*The Executive:*

- ***Authorised the Leadership Board to approve the full consultation response in line with the views expressed by the Executive.***

### **Action**

Officers to action as directed by the Executive.

**Stephen  
Jones**

## **2 Proposed new parliamentary constituencies – implications for local government**

Joe Simpson, Principal Adviser, introduced this item, which summarised the key implications for local government from the Boundary Commission for England's proposed new Parliamentary constituency boundaries in England.

### ***Decision***

*Following a short discussion, the Executive:*

- ***Agreed that this work was not a priority for the LGA***

### **Action**

No further action

## **3/4 Localising council tax reliefs and the council role in universal credit**

Paul Raynes, Head of Programmes (Finance and Localism), introduced these two items for discussion together. Paul outlined the Government's current proposals for council tax reform in his introduction:

- Localisation of council tax reliefs is in principle a good localising idea and could make for a better council tax;

- However, localisation of council tax benefit with a 10% budget cut and very tight limits on councils' discretion, as proposed by the Government now, creates an almost insoluble problem;
- One solution would be to localise the benefit system wholesale: there is a range of strong arguments in favour of this – from giving clients a better service than Job Centre Plus does, to better job matching, to better joining up of all the services welfare claimants use - that goes well beyond simply making it easier to adapt to the council tax benefit cut;
- So – recognising that the Government's plans for the wider benefit system involve a commitment to introducing Universal Credit - we propose to Government that it:
  - (i) considers very carefully what further flexibility it might give councils within the system of council tax relief, looking in particular beyond the means-tested reliefs to other reliefs that possibly benefit those more able to pay council tax;
  - (ii) within the overall Universal Credit framework, if that's a given, ensures that councils lead the delivery of a locally-tailored and joined-up offer of face-to-face contact and support for claimants that will enable us to take out bigger administration savings and increase the likelihood of people getting off welfare and into work.

During the discussion members made a number of comments including:

- The Government's current proposals did not sufficiently localise the system or give adequate flexibility to local authorities.
- A joined-up and locally-tailored offer to claimants of face-to-face contact and support would enable local government to offer an efficient and effective service both to Government and claimants.
- Concern that the proposed monthly payments could lead to increased levels of debt, with particular concern at the possible adverse impact of the proposal to merge housing benefit into Universal Credit on the most vulnerable people.
- Concern that the most vulnerable people, including the poorest and the young, will be disproportionately affected by the current proposals.

Members were clear that the LGA should adopt a robust position and thanked Paul for his presentation.

### ***Decision***

*The Executive agreed that the LGA should argue for:*

1. *greater flexibility within the wider system of council tax relief,*

*looking in particular beyond the means-tested reliefs to other reliefs that possibly benefit those more able to pay council tax*

2. *a locally-commissioned face-to-face offer within the Universal Credit system.*

### **Actions**

1. Officers to submit a consultation response in line with members' views on council tax reliefs
2. Members and officers to pursue opportunities to make the case for local delivery.

**Paul  
Raynes**

## **5 Directly elected Police and Crime Commissioners**

Cllr Mehboob Khan, Chair of the Safer and Stronger Communities Programme Board, introduced this item describing the work that had been undertaken by the Safer and Stronger Communities Programme Board to support the transition to police and crime commissioners. It was noted that the Board had achieved a stronger role for local government within the Police Reform and Social Responsibility Bill proposals. Councillor Khan added that the current proposals offered an opportunity to the LGA to provide direct support and advice to member councils on this issue.

### **Decision**

*The Executive:*

- **Noted** *the programme of support for councils in preparing for the introduction of police and crime commissioners;*
- **Agreed** *that officers should continue to investigate the potential for the Group to host the national membership body for police and crime commissioners.*

### **Action**

LGA officers to action.

**Helen  
Murray**

## **6 LGA/LG Group – structure and name**

John Ransford introduced this item, setting out the proposals to simplify governance arrangements and ensure a strong brand for the future. It was noted that the Governance review of member structures was ongoing.

### **Decision**

*The Executive:*

- **Endorsed** the proposal to move to an integrated board structure with the LGA becoming the dominant front-facing brand for the LG Group and the LGID (IDeA) company becoming the trading/service delivery arm
- **Invited** the LGA Leadership Board to oversee the legal and operational changes associated with the integration.

**Action**

Officers to implement the changes

**Claire  
Holloway**

**7 Governance Review**

**Decision**

*The Executive:*

- **Agreed** that the Councillors' Forum should be open to any councillor from an LGA member council to attend.

**Action**

LGA officers to action.

**Claire  
Holloway**

**8 Note of the LGA Leadership Board 12 October 2011**

Members **agreed** the note of the last LGA Leadership Board meeting.

**9 Note of last LGA Executive**

Members **agreed** the note of the last LGA Executive meeting.

## Appendix A

### Attendance list

#### Position/ Role

Chairman  
Vice-chairman  
Vice-chairman  
Vice-chairman  
Vice-chairman  
Deputy-chairman  
Deputy-chairman  
Deputy-chairman  
Deputy-chairman

#### Councillor

Sir Merrick Cockell  
Gary Porter  
Marianne Overton  
Gerald Vernon-Jackson  
David Sparks OBE  
Andrew Lewer  
Robert Gordon DL  
Sharon Taylor  
Steve Reed

#### Authority

RB Kensington & Chelsea  
South Holland DC  
Lincolnshire CC  
Portsmouth City  
Dudley MBC  
Derbyshire CC  
Hertfordshire CC  
Stevenage BC  
Lambeth LB

#### Position/ Role

Members

#### Councillor

David Simmonds  
David Parsons CBE  
Paul Bettison  
Peter Fleming  
Mayor Sir Steve Bullock  
Peter Box CBE  
Mehboob Khan  
Dave Wilcox OBE  
David Rogers OBE  
Chris White  
Jill Shortland OBE  
Peter Martin  
Angus Campbell  
Martin Hill OBE  
Mayor Jules Pipe  
Paul Watson  
Robert Dutton OBE  
Stephen Castle  
Neil Clarke  
Stephen Houghton CBE

#### Authority

Hillingdon LB  
Leicestershire CC  
Bracknell Forest Council  
Sevenoaks DC  
Lewisham LB  
Wakefield Council  
Kirklees Council  
Derbyshire CC  
East Sussex CC  
Hertfordshire CC  
Somerset CC  
Essex CC  
Dorset CC  
Lincolnshire CC  
Hackney LB  
Sunderland City  
Wrexham County Borough  
Essex CC  
Rushcliffe DC  
Barnsley MBC

#### Position/ Role

Substitutes

#### Councillor

Paul Middlebrough  
Sue Murphy  
Gordon Keymer

#### Authority

Wychavon DC  
Manchester City  
Tandridge DC

Apologies

Robert Light  
Mayor Dorothy Thornhill MBE

Kirklees Council  
Watford BC



Philip Atkins  
Roger Phillips  
Paul Carter  
Ian Greenwood  
Sir Richard Leese CBE  
Edward Lord OBE JP  
Lord Peter Smith

Staffordshire CC  
Herefordshire CC  
Kent CC  
Bradford MDC  
Manchester City  
Local Partnerships  
LG Leadership