



**BUSINESS PLAN
2012/13**

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THE LGA'S PRIORITIES

The LGA's mission is to support, promote and improve local government.

We work with councils to achieve our shared vision for local government by focusing our efforts where there is a need for us to get involved and where we can have real impact. Leadership is about being bold and ambitious, supporting councils to make a difference, deliver and be trusted. The LGA is proactive and confident, unlocking the economic power and influence of local government and driving change.

Our shared vision for local government:

CHANGING LIVES - local government has the potential to lead local communities, now more than ever before, and play a central role in growth. In the current economic climate, it is down to local government and its leaders, to rise to the challenge. Local government leaders are demonstrating they are up to the task and driving their councils forward to ensure they fulfil this role. Their aim is to make places distinctive and attractive for people to live and work in and enjoy. Part of that leadership role is to communicate powerfully and connect with people, taking the argument, strongly and self-confidently to central government, the wider public, other partners and the media.

ACCOUNTABLE - local government really can make a tangible, lasting difference to people. It has the ability to inspire and lead communities, and improve quality of life, by creating and contributing to a real sense of place. Key to this is localism - by definition not something which is set out at a national level. Localism means central government letting go, putting more faith in local people, and being confident about local democracy. Councils are often the single most important source of practical advice to local communities who want to take on more responsibility. This means collaboration and partnership, and working across boundaries, actively involving people in the design and delivery of their local services.

EFFICIENT - local government remains the most efficient part of the public sector and rightly rests its reputation on this fact. Councils are ambitious in finding ways to do the job within their means - they are good spenders of public money and more effective than most other organisations in helping people and communities. Councils are not afraid to cut costs and be innovative about ways of improving services, as well as being prepared to consider radical economies of scale where this helps delivery on the ground. This means councils focusing relentlessly on performance as well as eliminating cost. To achieve this, councillors are having to make difficult and at times unpopular decisions, while delivering value for money.

RELIABLE - councils are relied on, day in day out, to deliver excellent services whatever the circumstances. They are a safety net, picking up where other services fail. Local government can do this because it is one of the most open and accountable parts of the public sector, handling issues that are important to people's everyday lives. Councillors work hard in a transparent, highly accessible environment. They are an important resource for the local communities they represent, connecting to the daily lives of families. Councils provide the glue for local communities, ensuring social cohesion and successful diversity and supporting the most vulnerable people in society.

The LGA has a major role to play in upholding local government's reputation and supporting real leadership. We are politically led, but independently authoritative, holding unrivalled expertise and knowledge about local government and local government issues.

The LGA is driving the debate on public sector reform, to ensure that councils can bring together local services so they are better for the people who use them and better value for the taxpayer.

As the national organisation representing councils and councillors, we play a critical link between central and local government as the legitimate voice of our sector, making the case to ministers. Our policy work is based on objective, independent and credible analysis. It is driven by knowledge, not ideology, and by new thinking, not dogma.

The LGA also acts as the key conduit and promoter of the best that local government has to offer, by encouraging councils to develop and share best practice. We do this through our improvement, innovation and productivity programmes.

This year we will be launching a number of campaigns to make sure we are having the maximum impact on behalf of councils and to show that we are responding quickly to council concerns. Each of our campaigns will be use varying tactics to get our messages across but they will all focus on the issues that currently matter most to councils.

As a politically-led membership organisation, we invest in support to the elected members who are directly involved in the LGA. We use our governance arrangements to build strong connections with councils and their sub-national partners to provide political direction for all our work.

This business plan focuses primarily on the services and support funded by subscriptions from LGA member authorities, and RSG top-slice. We seek additional funding for specific programmes where these fit with our priorities. We also provide services on a cost-recovery basis where councils are prepared to pay for them.

Our top priorities

To deliver our vision for local government, in 2012/13 we will focus on achieving the following outcomes:

Public Service Reform

Councils are at the centre - and are seen to be at the centre - of public sector reform and delivering more effective services for local people.

This includes working to ensure:

- government policy continues in a localist direction and councils embrace new powers
- the anticipated White Paper on the future funding of adult social care offers scope for a fairer, clearer system, with councils retaining lead responsibility
- national workforce agreements are seen as relevant and fit for purpose by councils
- a reformed pension scheme is delivered without further serious industrial disruption or significant opt out rates for implementation in April 2014
- local government demonstrates its commitment to its new public health responsibilities
- police and crime panels are established without the need for intervention by government
- councils are supported in their role in school place provision, fair admissions, driving school improvement and supporting vulnerable pupils
- the anticipated White Paper on the care system for children offers scope for a more streamlined approach, reducing delays and bureaucracy and recognising the role of councillors
- future EU regulation minimises burdens and maximises opportunities for councils.

LGA campaigns for 2012-13

Keep it REAL: responsive, efficient, accountable local services – promoting the role of elected councillors in ensuring electors get the services they want

Securing the future of adult social care – setting out a clear overall message on the need to reform and fund adult social care and support.

Independent local government – to create a debate about codifying the relationship between central and local government.

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Growth and Prosperity

Councils are recognised as central to economic growth.

This includes working to ensure:

- business and residents are able to rely on all councils for excellent services to stimulate growth and new jobs
- national services such as skills, transport and employment, are localised so that councils can support economic recovery more effectively
- councils are able to develop new innovative funding, such as local authority bonds and tax increment financing, including a shift in attitudes to investment in infrastructure on the part of local authority pension funds
- there are increase planning powers and freedoms for councils to support economic growth
- councils are provided with the financial flexibilities and tools to be able to invest in housing in their area, including the flexibility to retain capital receipts from right-to-buy sales, counting borrowing against government debt, and maintaining their current powers to negotiate crucial infrastructure with developers
- councils play their part in a successful 2012 Games, to ensure benefits for the whole country
- councils lead the delivery of the Green Deal, to improve the local environment and create new employment opportunities
- councils are able to reduce red tape and regulatory burdens at a local level.

LGA campaigns for 2012-13

Local economies, local growth – demonstrating to government how councils and localities are assisting with economic recovery, reinforcing the fact that councils are just getting on with it.

Planning our way to growth – to win increased planning powers and freedoms for local government to support local economic growth

Housing the nation – to win increased housing powers and freedoms so councils can better address the current housing crisis

Hidden Talents – demonstrating that councils are best placed to identify and support the one million young people not in education, training or employment.

Funding for local government

Reform of the public sector finance system so councils raise more funds locally, have confidence their financing is sustainable and greater ability to co-ordinate local public services.

This includes working to ensure:

- a business rates retention scheme is ready for implementation in April 2013 that provides councils with stability and predictability, the ability to retain the proceeds of local growth and adequate safeguards for councils starting with lower tax bases
- the Public Health Grant is sufficient to meet local authority public health responsibilities and allocated on an equitable and transparent basis
- councils have a customer-facing role in the delivery of universal credit
- a full review is carried out of the funding arrangements for the countries of the Union, to ensure an equitable, needs-based approach that is fair to all parts of the UK
- all fees and charges for local authority services are decentralised including those for services like planning.

Local government funding will be an LGA campaign theme for 2012/13 – highlighting the financial pressures on local services.

Efficiency and Productivity

Councils dramatically reduce costs in ways which minimise the impact on the quality of life for their residents.

This includes working to ensure:

- councils save at least £160m over the next 3 years by supporting pathfinder programmes, productivity master classes and good practice
- councils achieve efficiencies in waste management and increase recycling rates, with regulations that work for councils
- at least 75 per cent of councils access LG Inform and at least 25 per cent of councils are actively using it to benchmark costs and performance
- at least 25 councils each year are able to explore new ideas, test out new ways of working and share the lessons through a range of innovative pathfinder programmes including the Creative Councils programme
- councils share and develop new, innovative ways of reforming public services through a 25 per cent increase in the use of the LGA's Knowledge Hub
- councils strengthen their approach to people management, with at least 50 councils using the LGA's workforce planning self assessment tool
- councils and fire and rescue authorities respond effectively to civil emergencies through support with implementing the National Strategic Resilience Governance arrangements.

Sector-led improvement

Councils are the most improved part of the public sector.

Local politicians and senior managers lead the transformation of local places.

This includes working to ensure:

- councils welcome peer challenge and support, with over 100 peer challenges being delivered in each of the next three years for councils and fire and rescue authorities
- the number of councils that government intervenes with remains small, by maintaining an overview of the performance of local government and providing tailored support to councils that face significant challenges
- sector-led improvement is established in children's services, through support for self-assessment and peer challenge including 36 peer reviews, targeted support to "intervention" councils, and practical approaches to policy implementation
- sector-led improvement is established in adult social care, through support so that all councils publish local accounts, targeted support to "adequate" councils, and support with sharing and analysing performance
- thriving local libraries are provided, that meet the needs of local people
- all councillors are better able to lead their communities, by providing a range of development programmes for elected members, with one free/subsidised place for every council for each of the next three years, along with a member development workshop for every council to support councillors in becoming "champions of their patch", in conjunction with the Centre for Public Scrutiny
- the profile of councillors better reflects the diversity of their local communities, by working with the national parties and others through our "Be A Councillor" programme
- elected members and officers work together constructively, by providing development programmes such as our Leeds Castle programme
- new talent is attracted into local government through the National Graduate Development programme.

Our own effectiveness and efficiency

The LGA is the single voice of local government, representing every local authority and locally democratically elected representatives across England and Wales.

This includes working to ensure:

Delivery

- we bring a local perspective to emerging policy debate, acting as a conduit between local authorities and central government
- we secure amendments to emerging legislation and run effective campaigns that deliver real change and improvements for our membership
- we support councils in taking responsibility for their own improvement
- our suite of communications provides clear, relevant and up to the minute information that councils value and use.

Membership

- membership levels amongst local authorities in England and Wales are maintained by enhancing the benefits and reducing the costs of membership
- we develop an attractive membership offer for police and crime commissioners
- we develop strong, productive relationships with councils, groupings of councils and councillors themselves including backbenchers – this will be the focus of a member scrutiny review
- the LGA and regional bodies work together effectively on lobbying and support for councils.

Financial Sustainability

- we have effective programme and financial management, and regular and robust performance review
- our outsourced back-office service are efficient and effective, with 80% satisfaction levels achieved in all areas, and we achieve at least a 12% reduction in our overheads – this is also the focus of a member scrutiny review
- we have an agreed approach to eliminating our pension deficit
- we secure core funding for the LGA beyond 2014-15.

People Management

- we support our employees through regular appraisal and investment in their development including a development programme for front-line managers, effective induction and a comprehensive e-learning materials.

Outline budget 2012/13 - TBC

	Pay £m	Non-Pay £m	Total £m
Subscriptions			
RSG England			
RSG Wales			
Specific grants and other ring-fenced funding			
Other income (conferences, seminars, sponsorship)			
Rental income			
Other			
Possible carry forward of prior year underspend			
Total income			
Organisational governance			
Policy and Delivery			
Strategy and Communications			
Total operational costs			
Specific grants and other ring-fenced funding			
Strategic Management Board			
Finance and Resources			
Liberata shared service			
Accommodation			
Other overheads (audit, insurance etc)			
Pensions - past employees			
Pensions - additional contribution			
Total overheads			
Total expenditure			

Our Corporate Indicators

	Target 2012/13 (TBC)	Baseline
Membership	September 2012	September 2011
Total membership	Maintain or increase	422
People Management		September 2011
Employees – total headcount	307	307 (269 estabd posts + posts for grant-funded programmes)
Average sick days per employee for 12 months	Maintain or improve	4.5 days (public sector av 9.6 days; local govt av 10.3 days)
Workforce profile		
BME employees % of the workforce		17%
BME - proportion of employees Grade 6 and above	Increase % of BME employees grade 6+ in line with workforce	5.9%
Employee engagement	Survey during 2012	Survey July 2009
Satisfied with their job	Maintain or improve	79%
Good place to work		66%
Kept well-informed		80%
Line manager helps them achieve their potential		61%
Organisation is committed to equality and diversity in its services		69%
Organisation is committed to equality and diversity in its employment practices		66%
Debtors	March 2013	March 2011
0 – 2 months	80%	56%
3-12 months	20%	10%
13-24 months	0%	14%
Over 24 months	0%	20%
	100%	100%
Financial Sustainability		
Liberata customer satisfaction	Survey Nov 2012	Survey Nov 2010
HR and Payroll	80%	66%
Finance and accounting	80%	72%
ICT	80%	58%
FM	80%	80%
Print and design	80%	68%
Overall	80%	61%
Carbon emissions	March 2013 reduce by 6% from 07/08 baseline of 1,450 CO2 tonnes	March 2011
	1,363	1,373

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