

Chief Executive's Monthly Report – February 2012

Purpose of report

For discussion and direction.

Summary

The LGA business plan 2011/12 centres on two top priorities –

- Achieving greater devolution for local government; and
- Helping councils tackle their challenges.

This report sets out the main achievements over the past month of each of the nine programme boards and of the Executive whose remit includes local government finance and localism. It also sets out our performance against key corporate indicators, including membership and budget.

Recommendation

The Leadership Board is invited to receive the Chief Executive's report for February 2012.

Contact officer: Carolyn Downs
Position: Chief Executive
Phone no: 020 7664 3213
E-mail: carolyn.downs@local.gov.uk

Chief Executive's Monthly Report – February 2012

Part 1 - Achievements against our business plan priorities

Children and young people

Achieving greater devolution for local government

- Secured government agreement to consult on the removal of the requirement for Ofsted to carry out an **annual rating of council children's services**.

Helping Councils tackle their challenges

- Ran a successful seminar on the implications for councils **of changes to the school Admissions Code**, emphasising the key role for councils in making sure that the admissions policies of schools and academies are fair to all children and young people.
- Successful joint conference held with the National Youth Agency to support heads of youth services and Lead Members for children's services to improve their **local services for young people**.
- Completed training for the first 18 Youth Offending Team (YOT) peers, as part of the joint **LGA/Youth Justice Board sector-led peer review programme**, with excellent feedback from participants. Two pilot peer reviews will be held in March.

Community Wellbeing

Achieving greater devolution for local government

Helping Councils tackle their challenges

- Joint letter with BUPA Care Homes, Age UK and the Association of Directors of Adult Social Services published in the Daily Telegraph arguing that the additional Department of Health **funding for social care** was considerably outweighed by the 28% cut in grant.
- Following the Public Health Minister's commitment that **Public Health Grant allocations** should be based on public health need, deprivation and inequalities rather than on historic PCT spend, LGA Director of Finance and Resources and advisers met DOH officials to progress overall levels of funding through the public health grant and the distribution formula.
- Held the first of three roundtables with parliamentarians to share our views on **Health reform and funding** ahead of the Spring White Paper.

- LGA advisers worked with DH officials to identify the financial, practical and reputational implications for local authorities of the proposed new duty on local authorities to appoint medical examiners to oversee the **death certification process**. The consultation and implementation is likely to be delayed by 6 months.

Economy and transport

Achieving greater devolution for local government

- Successfully lobbied government to devolve **Local Major Transport Scheme funding** to the local level. Consultation launched on 31 January 2012 on the details of the devolution.
- Successfully lobbied BIS and the Post Office to extend the list of partnership pilots, which are intended to improve **partnerships between the Post Office and councils** in rural areas. The LGA has been asked to host a forum of the partnership pilots.

Helping Councils tackle their challenges

- Launched a series of development days aimed at portfolio holders and officers with responsibility for economic development. The days are designed to support councils' **leadership role in economic development** and share innovative approaches to driving local economic growth.

Environment and housing

Achieving greater devolution for local government

Helping Councils tackle their challenges

- Secured financial support from the Environment Agency to develop web-based resources and update good practice advice to councils on **carbon reduction and climate resilience**. This will support Climate Local, which will succeed the Nottingham Declaration as the mechanism for supporting council ambition on Climate Change.
- Cllr David Parsons and Tony Bradford, Hertfordshire CC gave oral evidence to the Environment, Food and Rural Affairs Select Committee's inquiry into the **Natural Environment White Paper (NEWP)**. The value of natural capital and the possibility of biodiversity offsetting were the main themes of the session.
- At CLG questions on 31 January, Minister for Cities Greg Clark said he was working with the LGA on suitable transitional arrangements for the **National Planning Policy Framework**.

Safer and Stronger Communities

Achieving greater devolution for local government

- In conjunction with the Chief Fire Officers Association (CFOA), successfully lobbied government for a **leaner and more localist National Framework** which broadly reflects the views of fire authorities and which builds on their best practice and existing activities.

Helping Councils tackle their challenges

- Following pressure from the LGA and key partners, the government announced that **taxi and mini cab drivers will again be subject to enhanced CRB checks prior** to being issued a licence. Councils can also check whether a driver has been barred from working with children or young people.
- Following pressure from the LGA and others, the government announced an amendment to the Legal Aid, Sentencing and Punishment of Offenders Bill to introduce **cashless payments on scrap metal, and increased penalties for dealers** who do not keep accurate records. We are now pressing for a more robust licensing regime for scrap metal dealers.
- Joined the Home Office's transition project group, looking at **the relationship between police and crime commissioners (PCCs) and partner bodies** like community safety partnerships. The January project group meeting looked at the induction material for PCCs, and the guidance on their commissioning role.

Culture tourism and sport

Achieving greater devolution for local government

- Called for the removal of the Secretary of State's power to intervene in **local library services** in our submission to the CMS Committee Inquiry into library closures.
- Successfully lobbied for **amendments to the Live Music Bill**, which mean it will cut red tape for the music industry and ensure councils still have sufficient powers to protect residents and people attending events. The Bill has had its Third Reading in the House of Commons and should receive Royal Assent in the next few weeks.
- Raised serious concerns about the impact of cuts to BBC local radio **on responding to local emergencies**, and welcomed the BBC's decision to review their plans.

Helping Councils tackle their challenges

- Building on the successful Leadership Academy held at the end of 2011, ran a well-attended seminar on 30 January to **support councillors with a sports portfolio to explore the implications of the Localism Act**. The programme included commissioning, new models of service delivery and public health reforms.

European and international

Helping Councils tackle their challenges

- Secured amendments to the proposals to **reform EU procurement rules**, including an exemption for shared services and lighter advertising requirements for councils. Work will continue throughout 2012 to ensure the new rules are simpler than the initial proposals.
- Responding to demand for UK expertise from developing nations, hosted fourteen senior African local government leaders as part of a programme to support better **governance in African local government**. The delegation spent four days learning about the LGA's peer review programme and planning a programme of pilot peer reviews across the continent.
- Secured "**official supplier**" **accreditation** from the UK Department of International Development, following an open competition. This fulfils a long-term LGA aim - that aid programmes should be delivered by practitioners rather than expensive consultants.

Workforce

Helping Councils tackle their challenges

- Issued workforce guidance for councils highlighting the issues they will be face during the **2012 Olympic and Paralympic Games**. These include travel arrangements, annual leave, flexible working, internet use and volunteers. A web-based resource on getting active and fit for the 2012 Games is under development, linking to the NHS Active site.
- Scheduled a series of regional workshops, hosted by regional employers' organisations, to help local authorities in England and Wales comply with section 38.1 of the Localism Act 2011. The Act requires them to produce a **pay policy statement** from 2012/13 and each subsequent year.

Achieving greater devolution for local government

- Published the **Transition Guidance on Public Health Workforce Matters** on 13th January to help councils plan for the transition. The guidance, which was agreed with a group of trade unions, describes the legal basis for transfers, with a framework of options and good practice for local decisions. Central to it is that future and current employers should set up local joint consultative groups working with the trade unions as soon as possible.

Improvement

Helping Councils tackle their challenges

- Launched a Category Management Pilot programme to support the development of practical projects that will result in replicable **procurement efficiencies** in social care, property, highways, waste and corporate services. We have received applications from 18 different consortia and groups of councils covering the full range of target spending areas, with awards being made at the end of January.
- As part of the **Creative Councils** initiative, held the first of four 'Learning Events' to share progress. 40 local authority representatives attended of whom 16 were from 7 of the Creative Councils.
- Agreed a programme to address the new and expanding area of work around **Transparency and Open Data Measures**. The programme will offer guidance on publishing open data, promote the need for local decisions on transparency, develop a transparency strategy for the sector and lobby government departments to open up data that supports local service delivery.
- Made significant improvements to the **National Graduate Recruitment Programme** to deliver £480,000 of costs savings and provide more practical training for graduates. 2,200 graduates have applied for the 2012 programme so far.
- So far this year
 - Over 800 councillors have attended one of our **leadership or regional induction programmes**
 - We have completed 10 of the new **corporate peer challenges**.
 - Over 1000 people have accessed **LG Inform** - our free benchmarking tool

Localism

Achieving greater devolution for local government

- Launch of the "**Independent Local Government**" **campaign** prepared in partnership with the Constitutional Reform Select Committee – launch date 9 February.
- Convened partner organisations to scope a new **Conduct/Standards code**
- Working closely with the four whole place **community budget pilots** to agree tailored support offer to each place and a collective influencing and support package. Convening the 10 neighbourhood community budget pilots for a launch event with Ministers.

Local government finance

Helping Councils tackle their challenges

- Following co-ordinated action with ADCS, Solace and CIPFA, secured confirmation from DfE that the final £155m **Standards' Fund payment** for 2010-11 will now be incorporated into the Direct Schools Grant for 2011-12 in March 2012.
- Secured agreement from Minister for Welfare reform that, contrary to previous policy, councils will have a role in **delivering universal credit**.
- Briefed extensively on the **Local Government Finance Bill** and succeeded in getting our key concerns aired in the 3 commons committee days, with good name-checks for the LGA. We are now arranging briefing events with peers for the Lords stages.
- Launched the "Keep it REAL" **commissioning support programme** and have received 21 expressions of interest from councils.

Achieving greater devolution for local government

- At CLG questions on 31 January CLG Minister Bob Neil said he was listening to the LGA on the **localisation of business rates**.

Item 4

Part 2 – Corporate Performance

Membership

1. Since the January report to Leadership Board, Birmingham City Council and Rochford District Council have rolled over notice to 2013. Tunbridge Wells and Stockton-on-Tees have given notice of intention to withdraw from 1 April 2013.

Table 1 – shifts in membership

Membership	Apr 2011	Jan 2012	Feb 2012	Shift (month)	Shift (Year)
Total current membership	419	422	422	0	+3
Councils out of membership	7	4	4	0	-3
Notice to withdraw WEF 1/4/12	21	16	14	-2	-7
Notice to withdraw WEF 1/4/13	12	14	19	+5	+7

Table 2 – Councils out of membership/on notice

Out of membership (4)	Notice to withdraw 1/4/12 (14)	Notice to withdraw 1/4/13 (19)
Doncaster MBC	Brighton and Hove City	Birmingham City Council
London Borough of Bromley	Broxtowe Borough Council	Broads Authority
Royal Borough of Windsor & Maidenhead	Cotswold District Council	Cambridgeshire FRA
Slough Borough Council	Elmbridge Borough Council	Darlington Borough Council
	London Borough of Greenwich	East Staffordshire Borough Council
	London Borough of Sutton	Hartlepool Borough Council
	London Borough of Barnet	London Borough of Croydon
	Rossendale Borough Council	London Borough of Hammersmith and Fulham
	Royal Borough of Kingston Upon Thames	London Borough of Richmond
	Rutland County Council	London Borough of Wandsworth
	Sefton Metropolitan Borough Council	Northumberland NPA
	Southampton City Council	Rochford District Council
	West Lancashire Borough Council	Runnymede Borough Council
	West Sussex County Council	Tunbridge Wells Borough Council
		Stockton-on-Tees Borough Council
		Vale of White Horse District Council
		Waverley Borough Council
		West Berkshire Council
		Worthing Borough Council

Item 4

Budget

2. The LGA's financial performance to the end of December shows a surplus at the 9 month point of £8.4m. Of this, £6.3m relates to ring-fenced programmes which are expected to break-even at year-end, leaving an operating surplus on RSG-funded activity of £2.1m. Once transition costs of £2.0m have been added back in, the operating surplus for the first 9 months is £4.1m. As I reported last time, this needs to be set in the context of quieter summer months and a cautious approach to spending the aftermath of the substantial reduction in core funding.
3. On current projections, an underspend of about £1.5m (up to 5% of turnover) is forecast for the year. This would enable us to cover the cost of our £750k investment in the Creative Councils programme out of in-year revenue, instead of out of LGID's Reserves as agreed by the LGID board in March 2011.
4. This is a positive financial result for the LGA, given the significant reduction in core funding that came into effect from the start of this financial year, and which led to significant steps to reduce the LGA's cost base. However, in the light of this year's experience, we will be taking positive steps in setting and monitoring the budget for 2012-13 to ensure that resources are allocated in line with the LGA's agreed priorities, and that programmes are delivered to plan

Media

5. Between 12th and 30th January the LGA was mentioned 863 times in trade, regional, online and national publications and 35 times in national newspaper articles. Stories that gained particular exposure included:-
 - **Queen's Diamond Jubilee Street parties.** Our release highlighting how councils are simplifying the process, waiving road closure fees, offering cash grants and distributing party packs was reported favourably in The Sun, Telegraph, Mail online, Mirror online and Star online. Culture Tourism & Sport Board Chairman Chris White appeared on BBC Breakfast and BBC local radio. Vice Chair of the Economy & Transport Board Cllr Shona Johnstone was interviewed for LBC Radio, clips of which were then repeated on Heart, Capital and Classic FM.
 - **Reducing bin fines.** Our line - that fines are used only as a last resort and that most residents are happy with their waste collection - was widely quoted in the Sunday Telegraph, Sunday Express, Independent on Sunday, Daily Express, Mail and Mirror. David Parsons, chairman of the Environment Board was interviewed on Sky News and Radio 5 Live Breakfast.
 - **Council tax freeze.** Sir Merrick Cockell was quoted in the Daily Express, Mail online and Newspaper and Wednesday's Daily Star responding to the Secretary of State's view that councillors have a moral duty to accept the Government's offer of additional money to freeze council tax. Sir Merrick was interviewed on the BBC News Channel on two consecutive days on the freeze and councils' efforts to keep council tax down

Item 4

- **Adult social care reform.** The LGA was prominently quoted in extensive national media coverage. David Rogers, chairman of the Community Wellbeing Board, appeared on Radio 4's You and Yours to talk about funding issues and was quoted in the Daily Telegraph, Guardian online and BBC online responding to Care Minister Paul Burstow's statement that councils had enough money to look after the vulnerable.