

# LGA Leadership Board

## Agenda

Wednesday 8 February 2012  
2.00pm

Smith Square Rooms 1 & 2  
Local Government House  
Smith Square  
London  
SW1P 3HZ

**To:** Members of the LGA Leadership Board  
**cc:** Named officers for briefing purposes

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**Please don't forget to sign out at reception and return your badge when you depart.**

**LGA Leadership Board**  
8 February 2012

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A meeting of the LGA Leadership Board will be held at: **2.00pm on Wednesday, 8 February, in Smith Square Rooms 1 & 2, ground floor, Local Government House, Smith Square, London, SW1P 3HZ.**

### **Attendance Sheet**

Please ensure that you sign the attendance register, which will be available in the meeting room. It is the only record of your presence at the meeting.

### **Apologies**

**Please notify your political group office (see contact telephone numbers below) if you are unable to attend this meeting**, so that a substitute can be arranged and catering numbers adjusted, if necessary.

**Labour:** Aicha Less: 020 7664 3263 email: [aicha.less@local.gov.uk](mailto:aicha.less@local.gov.uk)  
**Conservative:** Luke Taylor: 020 7664 3264 email: [luke.taylor@local.gov.uk](mailto:luke.taylor@local.gov.uk)  
**Liberal Democrat:** Evelyn Mark: 020 7664 3235 email: [libdem@local.gov.uk](mailto:libdem@local.gov.uk)  
**Independent:** Group Office: 020 7664 3224 email: [independent.group@local.gov.uk](mailto:independent.group@local.gov.uk)

### **Location**

A map showing the location of Local Government House is printed on the back cover.

### **LGA Contact:**

Cathy Boyle Tel: 020 7664 3205;  
e-mail: [cathy.boyle@local.gov.uk](mailto:cathy.boyle@local.gov.uk)

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**LGA Leadership Board**

Date: 19.08.11

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**Membership: LGA Leadership Board 2011/2012**

<b>Councillor</b>	<b>Authority</b>
<b>Conservative (5)</b>	
Sir Merrick Cockell [Chairman]	RB Kensington & Chelsea
Gary Porter [Vice-chairman]	South Holland DC
Robert Light [Deputy-chairman]	Kirklees Council
Andrew Lewer [Deputy-chairman]	Derbyshire CC
Robert Gordon DL [Deputy-chairman]	Hertfordshire CC
<b>Labour (3)</b>	
David Sparks OBE [Vice-chairman]	Dudley MBC
Sharon Taylor [Deputy-chairman]	Stevenage BC
Steve Reed [Deputy-chairman]	Lambeth LB
<b>Liberal Democrat (2)</b>	
Gerald Vernon-Jackson [Vice-chairman]	Portsmouth City
Mayor Dorothy Thornhill MBE [Deputy-chairman]	Watford BC
<b>Independent (1)</b>	
Marianne Overton [Vice-chairman]	Lincolnshire CC









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### LGA Leadership Board

8 February 2012

Smith Square Rooms 1 & 2

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**Date of next meeting: Wednesday, 14 March 2012, 2.00pm**



## **LGA Campaigns for 2012-2013**

### **Purpose of report**

For discussion and direction.

### **Summary**

1. Leadership Board has previously agreed that the organisation needs to identify a series of policy issues on which it can campaign on behalf of local government in the coming year, and has agreed that these should closely reflect the LGA's business plan and associated corporate objectives for that period.
2. This paper sets out draft, indicative campaign titles, objectives and targets addressing these broader policy areas which, prior to further discussion by the Leadership Board, will then be taken forward to more detailed campaign planning by the LGA's Communications Team working in close partnership with the relevant Boards in each case. Titles are indicative and will be worked on in more depth once broadly agreed.

### **Recommendation**

That the Leadership Board comments on and provides a steer to officers on the proposed campaigns.

### **Action**

Officers to proceed as directed.

**Contact officer:** Luke Blair  
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## **LGA Campaigns for 2012-2013**

### **Background**

1. Leadership Board has previously agreed that the organisation needs to identify a series of policy issues on which it can campaign on behalf of local government in the coming year, and has agreed that these should closely reflect the LGA's business plan and associated corporate objectives for that period.
2. At the 11 January Leadership Board therefore, the following broad policy areas were agreed:
  - 2.1 Adult Social Care
  - 2.2 Local Government Funding
  - 2.3 Economic Growth
  - 2.4 Public Service Reform and the impact on local government
3. The rest of this paper sets out suggested campaign targets, themes and topics addressing these broader policy areas which, prior to further discussion by the Leadership Board, will then be taken forward to more detailed campaign planning by the LGA's Communications Team working in close partnership with the relevant Boards in each case.
4. Each proposed campaign is set out in the following way:
  - 4.1 CAMPAIGN THEME/TITLE
  - 4.2 Link to Business Plan priorities
  - 4.3 Campaign description/objectives
  - 4.4 Target audiences
  - 4.5 Measures of a successful outcome
  - 4.6 Policy lead
5. Inclusion in this paper will mean specific endorsement of that campaign by Leadership Board if so agreed. However, it does not necessarily mean that these will be the only campaigns either on that subject or on any other subject to be conducted by the LGA during 2012-13. If the LGA is to remain an influential organisation it will need to be flexible, adapt to any new policy developments, and be ready swiftly to change its plans if that would make it more effective as a campaigning body during the year.

## **CAMPAIGN 1. SECURING THE FUTURE OF ADULT SOCIAL CARE**

**Link to Business Plan:** Adult Social Care / Public Service Reform

### **Campaign Description/ Objectives:**

6. With a White Paper expected in April we want the LGA to be highly visible in the run up to its publication. We are proposing five separate pieces of work that, together, allow us to set out a clear overall message on the need to reform and fund adult social care and support.
7. It will allow us to the position the LGA as the authority on reform of the social care system, and will look to ensure we are seen as a primary influencer in pushing for social care legislation and in securing the future of adult social care.
8. In the weeks preceding the White paper we will be issuing a media release to tie in with each of the pieces of work listed below, as well as holding specific events such as the Smith Square debates to further increase awareness of our work to different audiences.
9. The campaign will be refreshed following the publication of the White Paper once it is clear how far the Government are willing to progress any reform of the system.

Pieces of work include:

- 9.1 A 'spotter's guide' to the White Paper – to be launched at the LGA's Social Care Smith Square debate on 14<sup>th</sup> March.

This publication will set out what we hope to see in the White Paper and in so doing will identify 'tests' against which we will judge its effectiveness. This will be a useful vehicle for disseminating all of our main messages and, coming before the White Paper, will provide Parliamentarians, stakeholders and the media with an easy route back to the LGA to get our reaction.

- 9.2 Understanding the finances

There have been numerous recent stories at national and trade level on the adequacy of funding for adult social care. This is a complicated subject with several leading organisations quoting a different funding 'gap' and the government denying the existence of any funding problems. We therefore propose doing some detailed analysis of the current funding situation facing adult social care along with projections of future costs. This information will be invaluable in discussions with both government and the media.

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9.3 The cost of reform

Much has been made in the press about the Government's willingness to fund the recommendations made by the Dilnot Commission (a cost of about £2 billion depending on the calibration of one of the Commission's central proposals – a cap on the amount individuals are required to pay towards their care costs). Given our long-standing and in-principle support of the cap we propose doing some work comparing the cost of reform to other areas of wasteful public spending. Our central message is that the cost of reform is a cost worth paying.

9.4 The economic case for reform

We are aware of the Treasury's hesitancy on funding the Dilnot proposals and believe work that highlights the economic benefits of reform could be a very useful contribution to the debate and the more conventional messages that simply advocate urgent reform. We propose commissioning, or working with, Skills For Care on this work and focusing on workforce (with links to quality) in terms of current/future numbers and potential job creation and market development.

9.5 Raising awareness amongst the public

Linking to activity 9.3 above we propose conducting some simple polling of the general public to gauge their understanding of how the system works, where they think spending should be prioritised and what they think would be a 'fair' system.

10. As much of this work is about being highly visible in the run up to the White Paper, we propose holding briefing meetings with journalists to discuss our work and findings before publishing. Given we have five specific pieces of work we are considering giving exclusivity to particular media outlets to maximise impact.

11. Once the White Paper is published, and we have a clear understanding of its strengths and weaknesses, we will refresh the campaign plan to develop a further programme of work to lobby for a Bill. We will also be looking to influence any legislation which may be included in the Queen's speech.

**Target (measurable) outcomes:**

- Increased visibility of LGA message on social care in run up to White Paper publication in parliamentary debates and questions.
- Proactively generate national coverage of LGA issues on reform and funding (and pieces of work detailed below) in each week of March in the run up to the publication of the White Paper.
- LGA spokespeople to be quoted regularly in national media, trades and local press.

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- The LGA to be seen as the authority on reform of the social care system.
- LGA's criteria by which we measure the success of the White Paper (listed in the "spotter's guide" detailed below) are used by stakeholders and the media.
- High level of engagement with the LGA's Smith Square debate on social care.

**Target audiences:**

- Member Councils
- Ministers
- Whitehall
- MPs
- council members
- Media commentators

**Policy Lead:** Sandie Dunne

**CAMPAIGN 2. SUSTAINABLE FUNDING FOR LOCAL GOVERNMENT**

**Link to business plan:** Finance

**Campaign description/objectives:**

12. We propose a three-phased approach over the next 6 to 9 months, linked to the expected milestones and activities in the Parliamentary and Whitehall calendars:
  - 12.1 Budget on 21 March: making the case for reform by demonstrating the unsustainability of the current system
  - 12.2 LG Finance Bill (April-Autumn 2012): pressing for key reforms to the proposals on business rates retention and the localisation of council tax support
  - 12.3 Setting the path of post-2015 public spending (Autumn 2012): setting out our vision for a reformed system of local government finance

Budget 2012

13. The Chancellor's Autumn Statement on 29 November signalled the probability of further cuts within this Spending Review period, including the removal of almost £750 million from the local government settlement as a result of the 1% pay cap in 2013-14 and 2014-15. The National Audit Office also warned in March 2011 that Whitehall departments would be significantly at risk of not meeting their Spending Review (SR) targets if they did not improve their financial management. We propose to make the case that local government, having already borne a disproportionate share of the cuts, should not be subject to any further funding reductions within this SR. Using financial projections of



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spending pressures facing local government in to the next SR, we intend to demonstrate both that local government funding should be protected from further cuts in the near term and set up our case for fundamental reform in the future.

Local Government Finance Bill

14. The Local Government Finance Bill focuses on two major elements of local government finance, business rates and council tax reliefs, which provides a ready platform for pushing for greater financial autonomy. We will be pressing for amendments to the Bill that allow councils to retain all of the proceeds from business rates growth and provide councils full flexibility over council tax reliefs. As much of the detail on the operation of the rates retention scheme will be set out in secondary legislation to be laid after the Bill receives Royal Assent, we will also be seeking to influence this secondary legislation as it is developed. Our work on shaping the localisation of business rates and council tax support will then set the stage for the case we make for fundamental reform of the local government finance system.

Post-2015 public spending

15. With work expected to get underway shortly at Treasury to determine the path of public spending after 2015-16, it is also timely for us to build on our Bill work and press for fundamental reform of the whole system of local government finance. The Government signalled in October 2010 that it will consider the total spending figures for local government with a view to more closely aligning local authority functions and responsibilities with business rates income from 2015-16, at the next Spending Review. We need to get ahead of that debate and set out our own vision for the future alignment of local resources and responsibilities, fairness between different places including different parts of the UK, and sustainable revenue sources for the long term.
16. In calling for fundamental reform, we also propose to open up the debate about why locally-financed spending falls within central government's management. At present, the Treasury justifies its control of local government spending, particularly that financed by borrowing, on the grounds that it counts against the nation's balance sheet. However, other jurisdictions around the world do not impose a central control framework on all public borrowing and spending. We believe that a reformed finance system that freed local government from Treasury control would give councils greater power to invest in housing and infrastructure, use their assets in a more effective manner, and ultimately help to generate economic growth across the country.

**Target (measurable) outcomes:**

- To persuade Government to allow local authorities to retain all business rate growth
- To secure greater discretion over council tax reliefs
- To set out the local government case for funding post-2015
- To take locally-financed spending out of central government's control framework

**Target audience/s**

- Member Councils
- HMT and CLG
- Cross-party parliamentarians
- Press / media commentators
- Leaders/councillors
- Chief Executives/Officers
- Business interests

**Policy lead:** Paul Raynes

**CAMPAIGN 3. PLANNING OUR WAY TO GROWTH**

**Link to business plan:** Growth and prosperity

**Campaign description/objectives:**

17. Drawing on the work already underway at the initiation of the Environment and Housing Board (with cross-party support), the objective would be to win increased planning powers and freedoms for councils to better support local economic growth.
18. Despite the supremacy of the Local Plan and the development / production of the soon to be approved National Planning Policy Framework (NPPF), councils are still encountering barriers within the planning system which are hindering their ability to shape their areas in line with local priorities such as economic growth – therefore despite the progress of the NPPF, planning continues to be a barrier to true localism and allowing councils the flexibility to think innovatively and support local economic growth in every way possible. We need real localism, which will be a key sub theme of this campaign.

**Target (measurable) outcomes:**

- Restrictions / limits placed upon the power of the Planning Inspectorate, a body which often overturns local planning decisions made by democratically elected councils.

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- A new ‘umbrella’ use class, into which individual councils can place problematic types of premises within (potentially supported by the recent High Streets review)
- Improvement to existing planning powers (known as ‘Article 4 directions’) to allow councils to intervene when premises change their use (potentially supported by recent High Streets review). Article 4 directions are currently cumbersome, bureaucratic, and ineffective.
- To dissuade the government from pursuing additional powers for developers to re-open section 106 agreements.

**Target audience/s:**

- Member Councils
- DCLG, DEFRA, BIS
- Cross-party parliamentarians
- Media commentators
- Development industry representative bodies
- Third Sector

**Policy lead:** Sandie Dunne

**CAMPAIGN 4. HOUSING THE NATION**

**Link to business plan:** Growth and prosperity

**Campaign description/objectives:**

19. Drawing on the cross-party supported positions which are already agreed across the political groupings of the Environment and Housing Board, the objective of this campaign would be to win increased housing powers and freedoms so that councils can better address the current ‘housing crisis’, and in doing so assist with supporting economic growth at a local level, positioning themselves as a driving force for, and supporter of, development.
20. Financial flexibility is required to stimulate the housing market which democratically accountable councils can deliver if they are given the ability to do so. Councils must be given the financial flexibilities to invest in their local area. Current powers to negotiate important section 106 contributions (which deliver crucial infrastructure for communities) must be maintained and not undermined by government proposals to allow developers to reopen s106 agreements.
21. Similarly, local opposition is a huge barrier to new housing development according to feedback from members. The solution to this is good design, appropriate infrastructure and the involvement of communities and their elected representatives in planning for their place.

**Target (measurable) outcomes:**

- To win flexibility for councils to retain capital receipts from right to buy sales and to be able to set the discount locally.
- To agree a menu of design standards which can be used by councils and industry to assist with improving the acceptability of development at a local level
- To dissuade the government from pursuing additional powers for developers to reopen section 106 agreements.

**Target audience/s**

- Member Councils
- Defra, DCLG, BIS
- Cross-party parliamentarians
- Press / media commentators
- Development, construction, and housing industry representative bodies, and private sector design councils

**Policy lead:** Sandie Dunne

**CAMPAIGN 5. LOCAL ECONOMIES, LOCAL GROWTH**

**Link to business plan:** Growth and prosperity

**Campaign description/objectives:**

22. Building on ongoing efforts led by the Economy and Transport Board (with cross-party support on the Board), this campaign will continue to solidify the position of local government within the debate around economic growth – the number one priority for England and Wales and for the Coalition Government.
23. Demonstrating to Government how councils and localities can assist with the economic recovery programme (despite the level of cuts they are facing), this campaign will seek to deliver new measures that will assist local areas with their innovative approaches to local economic growth. As a result, the messaging will reinforce the fact that councils are just getting on with this, something of which Government and the public are perhaps not fully aware. Drawing on international comparisons, and building strong relationships with the business sector (to establish this as a joint campaign with them), will both be crucial to this campaign.

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24. The LGA is already due to publish a Green Paper on economic growth at the LGA national conference this summer as part of the Local Growth project, which can be brought within the remit of this campaign. The content of the Green Paper can form the focus for the new-look campaign, detailing our key asks.

**Target (measurable) outcomes:**

- “City plus” deals for those local authorities and LEPs that wish to have the ability to negotiate preferential deals with Government, on the same basis as the current ‘City deals’.
- Single local regeneration budgets
- Further devolution of transport policy to a local level
- A flexible and favourable outcome to the Local Government Resource Review
- Further incentives to encourage closer working between councils and local businesses, such as Business Improvement Districts
- Inward investment potential by tapping into the ‘GREAT’ campaign which, developed by Cabinet Office, is being offered to local councils for uptake

**Target audience/s**

- Member Councils
- BIS, DCLG, Cabinet Office
- Cross-party Parliamentarians
- Press / public commentators
- Other opinion-formers such as think tanks such as Centre for Cities and IPPR
- Business associations

**Policy lead:** Ian Hughes

**CAMPAIGN 6. INDEPENDENT LOCAL GOVERNMENT**

**Link to business plan:** Public Service Reform

**Campaign description/objectives:**

25. To create a debate in the sector led by the LGA and Chair of the Political and Constitutional Reform Committee, Graham Allen MP (GA), about codifying the relationship between central and local government as endorsed by the LGA and Parliament.
26. It is often unclear who is ultimately responsible for what when it comes to funding and deciding how to provide local public services. The electorate are disadvantaged and confused by this lack of clarity, with local people not

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knowing why their councils cannot always provide the services their local community needs.

27. With nothing that stipulates exactly what the rights and responsibilities of central and local government are, this confusion is set to continue. A new code between local and central government would settle this once and for all.

**Target (measurable) outcomes:**

Evidence of a growing debate about the issue in media and other external channels. If there is an appetite for a code, we can aim to get a commitment included in the Coalition Refresh.

**Target audiences:**

- Member Councils
- Leaders/councillors
- Chief Execs/Officers
- National Politicians
- Commentators & Academics

**Policy lead:** Paul Raynes and Rebecca Cox

**CAMPAIGN 7. HIDDEN TALENTS**

**Link to the business plan:** Growth and Prosperity / Public Service Reform

**Campaign description/objectives:**

28. Over one million young people are not in education, employment or training and the unemployment rate amongst 16 -24 year olds is the highest it has been since records began. Youth services have been hit by cuts and help for young people is split across a number of different public sector.
29. Beneath the headlines are a group of more marginalised young people (super-NEETs) that are being pushed further and further from employment; this group is growing in size faster than any other, reflecting a failure in government policy to support them.
30. Councils are best placed to identify and support this most marginalised group, for instance national government cannot possibly know which of the current 550,000 young people out of work for under 6 months is at risk of becoming long-term unemployed.

**Target (measurable) outcomes:**

- Pool services and funding for the most marginalised young people around them in places, with a leading role for local partners in commissioning all services relevant to their development. Funding currently fragmented and top down, confusing for young people and all services involved
- Particularly relevant for skills provision, with greater involvement of local employers in shaping all services to ensure young people are equipped with skills and experience valuable in the local labour market; now and in the future
- Strong quality assurance of services, refocusing on quality over quantity, with a leading role for councils in quality assuring any payments-by-results funding
- Give young people themselves a leading voice in shaping these services, councils have set up youth parliaments etc to do this for local services, but this doesn't exist at all for services funded centrally by government or its agencies (which is now most)

**Target audiences:**

- Member councils
- Leaders/councillors
- Chief Execs/Officers
- National Politicians
- Businesses
- Young people

**Policy lead:** Ian Hughes

**CAMPAIGN 8. Keep it REAL:** Responsive, Efficient, Accountable Local Services

**Link to Business Plan:** Public Service Reform

**Campaign Description/ Objectives:**

31. Promote the role of elected councillors in ensuring electors get the services they want; in particular
  - 31.1 Promote local government's ambition for public services that are responsive, efficient, accountable and local (REAL).
  - 31.2 Highlight and reinforce local government's reputation as the most efficient, accountable and innovative part of the public sector
  - 31.3 Demonstrate that councils are at the heart of reforming public services and that local democracy gives councillors a unique mandate from electors both in shaping services and providing performance management/redress.
  - 31.4 Make the case for councils to have the autonomy and flexibility they need to make services REAL; champion further decentralisation of services; and

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dissuade government from prescribing new approaches or introducing burdensome inspection, monitoring and regulation systems.

31.5 Support councils in reforming services through the dissemination of good practice and innovation and achievements.

**Target (measurable) outcomes:**

- The next iteration of government policy on public service reform (further to the Open Public Services white paper in 2011) recognises local government's crucial role in reforming services and does not attempt to prescribe approaches to commissioning.
- Government delivers on commitment to decentralise commissioning in a range of services, particularly economic development, skills and public transport.
- Bureaucratic central monitoring, regulation and inspection of services are further reduced / prevented in the implementation of government's reform agenda.
- Councils successfully use new tools and flexibilities (for example those provided by the Localism Act) to change the way they deliver services.
- Positive coverage in media and at national events and speeches of what councils have achieved by innovative and effective reform of services.

**Target audiences:**

- Member Councils
- National politicians
- Leaders / councillors
- Chief Executives / senior officers
- Media commentators

**Policy Lead:** Paul Raynes



**Item 2**

**Adult Social Care**

**Purpose of Report**

For discussion, comment and direction.

**Summary**

With just a few months to go before the publication of the government's care and support White Paper it is important for the LGA to be proactive and visible on the debate about funding and reform.

This paper provides some brief background on the events over the last eighteen months that will culminate with the Spring White Paper. It also sets out the LGA's headline positions on funding and reform, and details five pieces of work that will be completed and published in the weeks leading up to the White Paper, as agreed by the Community Wellbeing Board on 18 January 2012.

**Recommendation**

That the Leadership Board comment on the suggestions for future activity set out in the report.

**Action**

As directed by the Board.

**Contact officers:**

Andrew Cozens/Sandie Dunne

**Position:**

Strategic Adviser for Health and Children's and Adult Services / Head of Programmes, Community Wellbeing and Environment

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**Item 2**

**Adult Social Care**

**Background**

1. Following a number of key developments over the last eighteen months a White Paper on the future of adult social care looks set to be published in Spring 2012. Chief among these developments is the work of the Law Commission, the Dilnot Commission on Funding of Care and Support and the Caring for our Future engagement exercise.
2. Respectively, the two Commissions explored how to make the adult social care system simpler in terms of its legal framework, and fairer and more sustainable in terms of its funding arrangements. The engagement exercise, which concluded in December 2011, sought to bring the recommendations from both Commissions together, alongside the Government's 'Vision for adult social care', to help shape the priorities for care and support reform ahead of the White Paper.
3. The engagement exercise was based around six themes which the Government believes have the greatest potential for improving the care system. These are set out below and it is likely that they will form the basis, at least in part, of the White Paper.
  - 3.1 Quality and workforce
  - 3.2 Personalisation
  - 3.3 Shaping local care services
  - 3.4 Prevention
  - 3.5 Integration
  - 3.6 Role of financial services
4. Whilst it will be interesting to see what the White Paper says on the above we do not anticipate anything fundamentally new from Government in terms of policy or messaging. This reflects the broad consensus across the sector that these are the right foundations on which to base a reformed system. What will be of real interest – particularly to councils – is what the White Paper says on three issues:
  - 4.1 Funding reform
  - 4.2 Funding the system
  - 4.3 The balance between local and national

**The LGA position**

5. The LGA has been heavily involved in debates about reform of care and support during the last eighteen months, working closely with both the Dilnot and Law Commissions to share the sector's views and influence the final

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recommendations. We have also been heavily engaged with Parliamentarians and stakeholders, giving a range of evidence and briefings. Our headline positions can be summarised as follows:

- 5.1 There are four 'pillars' to reform:
  - 5.1.1 Fairness: fairer funding arrangements for individuals meeting the cost of their care and support needs.
  - 5.1.2 Simplification: a simpler legal framework for social care and support to make the system easier to understand and navigate.
  - 5.1.3 Integration: making the right links with health and public health to improve services for individuals and efficiency for the taxpayer.
  - 5.1.4 Funding: adequate resource for the system (separate to the resources needed for reform) and recognition that funding and reform go hand in hand.
- 5.2 We have been consistently clear that the current climate presents the best opportunity for meaningful reform, with workable proposals from both the Dilnot and Law Commissions to make funding fair and the system simpler.
- 5.3 We are pleased that cross-party talks on the future of care and support have resumed. Reform and funding are both urgently needed to address the triple pressures of insufficient funding, growing demand and escalating cost.
- 5.4 There is no magic bullet solution to the care and support question based on changing who is responsible for commissioning care. When care was last nationally funded the budget was wildly out of control and if there is a problem now it is arguably because councils have managed an underfunded system too well and the lid has consequently remained on for too long.
- 5.5 We want to see a part national, part local system with a national, portable assessment of need that is acknowledged anywhere in England but with local decisions about the services to meet need and the amount to pay for them.
- 5.6 The emphasis should be on the portability of outcomes and the local response must look both ways; drawing down from universal services (such as health, leisure and transport – those that support a focus on prevention and wellbeing) but including, where appropriate, more specific care and support interventions.

**Item 2**

**Maintaining momentum up to the White Paper**

6. With just a few weeks to go before the White Paper we want the LGA to be highly visible in the run-in. Following discussion at the Community Wellbeing Board on 18 January, and a clear steer from Members, we are proposing five separate pieces of work that, together, allow us to set out a clear overall message on the need to reform and fund adult social care and support. These pieces of work include:

6.1 A 'spotter's guide' to the White Paper

This publication will set out what we hope to see in the White Paper and in so doing will identify 'tests' against which we will judge its effectiveness. This will be a useful vehicle for disseminating all of our main messages and, coming before the White Paper, will provide Parliamentarians and the media with an easy route back to the LGA to get our reaction.

6.2 Understanding the finances

There have been numerous recent stories at national and trade level on the adequacy of funding for adult social care. This is a complicated subject with several leading organisations quoting a different funding 'gap' and the Government denying the existence of any funding problems. We therefore propose doing some detailed analysis of the current funding situation facing adult social care along with projections of future costs. This information will be invaluable in discussions with both Government and the media.

6.3 The cost of reform

Much has been made in the press about the Government's willingness to fund the recommendations made by the Dilnot Commission (a cost of about £2 billion depending on the calibration of one of the Commission's central proposals – a cap on the amount individuals are required to pay towards their care costs). Given our long-standing and in-principle support of the cap we propose doing some work comparing the cost of reform to other areas of wasteful public spending. Our central message is that the cost of reform is a cost worth paying.

6.4 The economic case for reform

We are aware of the Treasury's hesitancy on funding the Dilnot proposals and believe work that highlights the economic benefits of reform could be a very useful contribution to the debate and the more conventional messages that simply advocate urgent reform. We propose commissioning, or working with, Skills For Care on this work and focusing on workforce (with links to quality) in terms of current/future numbers and potential job creation and market development.

**Item 2**

6.5 Raising awareness amongst the public

Linking to activity 6.3 above we propose conducting some simple polling of the general public to gauge their understanding of how the system works, where they think spending should be prioritised and what they think would be a 'fair' system.

7. As much of this work is about being highly visible in the run up to the White Paper, we propose holding briefing meetings with journalists to discuss our work and findings before publishing. Given we have five specific pieces of work we are considering giving exclusivity to particular media outlets to maximise impact.
8. Once the White Paper is published, and we have a clear understanding of its strengths and weaknesses, we will develop a further programme of work to lobby for a Bill.

**Financial implications**

9. The exact detail of the activity outlined above is currently being worked out. Some elements will almost certainly be commissioned externally (such as the public polling) incurring a cost for the Community Wellbeing Board. We anticipate this being in the region of £10,000.

## **LGA Business Plan 2012/13**

### **Purpose of report**

For decision.

### **Summary**

1. A revised version of the LGA's draft Business Plan for 2012/13 is presented for review. Following agreement to the high level priorities at the last Leadership Board, this has been amended in the light of feedback from members as follows:
  - 1.1 It focuses on the top priorities for the LGA, rather than including all the priorities for each programme area.
  - 1.2 It takes account of feedback from the LGA Boards in their January round of meetings.
  - 1.3 It expresses the LGA's priorities in terms of the outcomes and impact we are seeking to achieve, rather than the activity we will be undertaking.
2. The campaign priorities in the Business Plan will be amended to take account of members' steer as part of a separate discussion at this meeting.
3. Regional local government representatives have been invited to comment on the draft business plan by 3 February.
4. Work is currently underway on the 2012-13 budget, and the final budget will be presented to the March Leadership Board, prior to both the business plan and budget being signed off by Executive in March. Members will be advised of any changes to the business plan arising from feedback from the regions.

### **Recommendation**

To agree the LGA business plan for 2012/13.

### **Action**

The final 2012/13 business plan and budget to be presented to Executive in March.

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Updated 1 February 2012



**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.

## 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.

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## 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			
<b>Total income</b>			
<b>Organisational governance</b>			
<b>Policy and Delivery</b>			
<b>Strategy and Communications</b>			
<b>Total operational costs</b>			
<b>Specific grants and other ring-fenced funding</b>			
Strategic Management Board			
Finance and Resources			
Liberata shared service			
Accommodation			
Other overheads (audit, insurance etc)			
Pensions - past employees			
Pensions - additional contribution			
<b>Total overheads</b>			
<b>Total expenditure</b>			



## Our Corporate Indicators

	<b>Target 2012/13 (TBC)</b>	<b>Baseline</b>
<b>Membership</b>	<b>September 2012</b>	<b>September 2011</b>
Total membership	Maintain or increase	422
<b>People Management</b>		<b>September 2011</b>
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%
<b>Employee engagement</b>	<b>Survey during 2012</b>	<b>Survey July 2009</b>
Satisfied with their job		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	Maintain or improve	69%
Organisation is committed to equality and diversity in its employment practices		66%
<b>Debtors</b>	<b>March 2013</b>	<b>March 2011</b>
0 – 2 months	80%	56%
3-12 months	20%	10%
13-24 months	0%	14%
Over 24 months	0%	20%
	100%	100%
<b>Financial Sustainability</b>		
<b>Liberata customer satisfaction</b>	<b>Survey Nov 2012</b>	<b>Survey Nov 2010</b>
HR and Payroll	80%	66%
Finance and accounting	80%	72%
ICT	80%	58%
FM	80%	80%
Print and design	80%	68%
Overall	80%	61%
<b>Carbon emissions</b>	March 2013 reduce by 6% from 07/08 baseline of 1,450 CO2 tonnes	March 2011
	1,363	1,373



## **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.

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## **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

## **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 12<sup>th</sup> and 30<sup>th</sup> 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



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- **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.



## **Welfare Reform – Impact on local government and the communities they serve**

### **Purpose of report**

For discussion and direction.

### **Summary**

The Government's welfare reform agenda will potentially have a significant impact on local government and local communities. This paper and its **Appendices** aim to summarise the key issues, including possible new burdens and proposes possible mitigating actions councils and the LGA could take.

### **Recommendations**

That we:

- pursue the new burdens conversation with the government;
- support councils to take the necessary mitigating actions in order to manage the issues they, claimants and landlords face.

### **Action**

Officers to implement the recommendations.

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## **Welfare Reform – Impact on local government and the communities they serve**

### **Background**

1. The Government's Welfare Reform Bill, currently in its final Parliamentary stages, introduces a wide range of reforms with the objective of making the benefit and tax credits system simpler by:
  - 1.1 Creating the right incentives to get more people into work by ensuring that work always pays.
  - 1.2 Merging out of work benefits and tax credits to create a single Universal Credit (UC).
  - 1.3 Reforms to other benefits aimed at reducing the cost of the benefits system.
2. Views differ over how the proposals will affect people's behaviour and much of the analysis of its distributional impact has relied on an assumption of unchanged behaviour. This potential impact has become a matter of significant national political debate. Councils will be crucial in influencing the dynamic/behavioural change the Government is seeking, particularly in the housing market. For example, the strategic housing role could allow councils to influence landlords and tenants, driving rent adjustment rather than reductions in families' disposable income; or councils could remain in a backstop role.

### **The issues**

3. The main measures in the Bill with potential impacts on councils are:
  - 3.1 The introduction of UC to provide a single streamlined benefit subsuming amongst others, housing benefit (HB), and the introduction of an overall benefits cap, which will be delivered through HB pending the full introduction of UC by 2017. The cap is likely to include child tax credit (prior to the introduction of UC) and child benefit. (Child benefit was specifically excluded from the cap by an amendment adopted in the House of Lords, which may be rescinded in the Commons.)
  - 3.2 An expectation that at least 80% of UC applications or changes will take place online, with benefit payments paid monthly direct to bank accounts. Rent will only be paid directly to landlords in exceptional circumstances.

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- 3.3 Reforms to Disability Living Allowance, through the introduction of the Personal Independence Payment.
  - 3.4 Replacement of community care grants and crisis loans with local welfare assistance funded by a non ring fenced grant to top tier authorities.
  - 3.5 Abolition of Council Tax Benefit (CTB). This is replaced by a measure in the Local Government Finance Bill providing for localised council tax support to be delivered by councils with a cash limited non ring-fenced Department of Communities and Local Government (DCLG) grant. The grant will reflect a 10 per cent saving on the current CTB bill.
  - 3.6 Linking the up-rating of local housing allowance (LHA) to the lower of either rent officer determination or CPI in order to remove a rent officer's power to increase LHA by amount above CPI.
4. These will have an impact on councils in the following ways:
- 4.1 Direct operational consequences (eg the subsuming of HB into UC; the localisation of CTB), which will include new burdens.
  - 4.2 Potential transfers of cost pressures from central Government, which may include both transfers (social fund and council tax support) and new burdens (scrapping of full costs of specialist housing support in HB, and passing the assessment of additional costs to councils).
  - 4.3 Indirect consequences, including dynamic effects, which may or may not increase councils' costs and may also transfer costs between councils (eg movement of families using council services from an affluent to a less affluent neighbourhood).

**Issues and their impact**

5. The matrix at **Appendix A** sets out officers' assessment of the issues deriving from the proposed legislation and suggests mitigating actions for both the LGA and councils to consider. It is intended to be a living document that will evolve as the final shape of the Bill emerges and as the associated regulations are drawn up. As with any assessment of this type it is a management tool to assess the possibility of something happening and the impact if no mitigating actions are taken. It is not a forecast of what will happen.
6. As mentioned above, a key measure in the Bill is the benefit cap, which will restrict the amount of benefit a household can receive to broadly the average earned income of a working household after tax and national insurance. It will only apply to workless households and the proposal is to set it at £500/week for

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couples and lone parent households and £350/week for single person households. According to the DWP, if there were no behavioural changes, around 67,000 households would have their benefits reduced, losing on average around £83/week. The cap will, on current plans and pending full implementation of UC in 2017, be enforced by councils reducing HB payments. The cap does not take account of household size and will therefore mainly affect large families (approx 40% of affected households will consist of 5 or more children and 80% will consist of 3 or more children). Shelter's research suggests that the cap may lead to families with three children losing housing benefit in more than a third of local authority areas nationally.

7. Many commentators question whether the capping of LHA, through its up-rating by CPI rather than RPI, will keep rents in check. However as indicated above this is clearly an area where councils, through their strategic housing role, can have an influence.

**Implementation**

8. It had been envisaged that UC would be delivered by Job Centre Plus without the engagement of local authorities. DWP however, following discussions with the LGA, has acknowledged the experience councils have in working with local people in the delivery of housing and council tax benefit and is open to councils playing a role in the delivery of the new benefit. As such, we are working with DWP to identify between 6 and 12 authorities to pilot the face to face delivery of UC.
9. As far as localised support for council tax is concerned, the Government has indicated that billing authorities, which will be the default lead authorities, need to have schemes adopted by the end of January 2013 and by 31 January of the preceding financial year each year thereafter. It will not be possible to change or adjust schemes mid year. With necessary guidance still to be issued by CLG and both consultation with major precepting authorities and the public being required, the timescale for achieving this is tight. Where a billing authority fails to adopt a scheme before 31 January 2013, a default scheme, which is likely to retain the criteria and allowances currently in place for Council Tax Benefit, would have to be adopted. Clearly with the Government imposing a 10% cut on the funding for council tax support, the default scheme would impose a significant in year budgetary pressure on councils affected. CLG's position is that this is not a new burden.

**Potential new burdens for local government**

10. It can be seen from **Appendix A** that the proposed legislation potentially presents local government with a significant number of new burdens and pressures. This includes the need to build reserves to cover risks associated with the implementation of the Bill. These potential new burdens are

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summarised at **Appendix B**. Because the summary is based on risks that may or may not come to fruition, it is difficult to quantify actual costs. Since it is highly unlikely that it will be possible to mitigate fully the identified risks, it is almost certain that there will be some residual pressures and new burdens for councils. LGA officers will work with councils to further refine these cost estimates and discuss with CLG to ensure that the new burdens are funded. It should be noted that DWP has undertaken to fund identified new burdens arising from the Bill, such as the localisation of CTB.

**Conclusion and next steps**

11. The issues for local government arising out of the Bill need to be addressed without delay and there is much the LGA can do to help authorities address them. In addition to promulgating suggested mitigating measures for councils, next steps for the LGA include pursuing the new burdens conversation with the Government and supporting councils to take the necessary mitigating actions in order to manage the issues they, claimants and landlords face. We will also, of course, take forward action on councils' role in the delivery of UC.

**Financial Implications**

12. There are no unplanned financial implications for the LGA.



Welfare Reform – Potential Issues

Measure	Issues	Consequences	Prob-ability	Impact	Possible Mitigation	Possible LGA Actions
1. Introduction of £500/£350 benefit cap	1.1 Families move, no alternative accommodation available	1.1.1 Councils funding temporary or B&B accommodation	H	H	Publicise the new proposals widely and early. Ensure families aware of caps and when they will be implemented. Ensure advice available to help families budget within new financial envelopes. Plan ahead; identify alternative accommodation early.	Develop publicity material for councils to draw on in producing their own locally branded advice (as above).
	1.2 Families move to smaller/shared accommodation locally	1.2.1 Overcrowding	H	L	Councils identify families at risk of displacement early and where possible work with them to identify suitable alternative accommodation in the same locality.	LGA develop publicity material for councils to draw on in producing their own locally branded advice (as above).
	1.3 Families move to a cheaper locality	1.3.1 Children having longer journey to school 1.3.2 Mismatch between supply and demand for school places 1.3.3 Longer distances to	H	H	Councils identify families at risk of displacement early and where possible work with them to identify suitable alternative accommodation in the	LGA develop publicity material for councils to draw on in producing their own locally branded advice (as above). Encourage communication between councils and consideration of use of

Measure	Issues	Consequences	Prob-ability	Impact	Possible Mitigation	Possible LGA Actions
		<p>travel to find work</p> <p>1.3.4 Reduced social mix with concentration of benefit claimants and reduced ethnic mix</p> <p>1.3.5 Displacement of families from support networks</p> <p>1.3.6 Social services pressures in receiving areas</p>			<p>same locality so they don't have to move far.</p> <p>Where a move to a new area is required supplying and receiving councils work together both to minimise disruption to education and to identify suitable permanent accommodation</p> <p>Increase efforts to get a member of the household into work (part time sufficient), to avoid application of benefits cap</p> <p>Council's with a high proportion of low income BME residents take proactive stance towards the maintenance of community cohesion and monitor situation closely</p> <p>Early 'what if' planning and identification of possible alternative accommodation for schools at risk of overcrowding.</p> <p>DfE prepare to react at short notice, and in response to councils, to overcrowding in schools as a result of migration and transfer DSG funding from supply to receiver areas.</p>	<p>Knowledge Hub to share information between councils on general impact of benefit cap in localities.</p> <p>LGA work with DfE to plan for possible changes in the school age populations resulting from welfare reform and ensure the <i>Schools' places strategy</i> takes account of this potential population movement.</p> <p>Lobby on behalf of authorities at risk of overcrowding for increased funding to create more school places.</p>

Measure	Issues	Consequences	Prob-ability	Impact	Possible Mitigation	Possible LGA Actions
	1.4 Single people move	1.4.1 Increase in rough sleepers 1.4.2 Increase in overcrowded HMOs with increased cost to councils from closer regulation. 1.4.3 Increase in requirement for temporary accommodation	M	M	Make advice available early for this age group.  Publicity to enable people to plan ahead	Develop publicity material covering all aspects of the benefits cap (see actions below) for councils to draw on in producing their own locally branded advice. There might be mileage in seeking a partner, such as Citizens' Advice Bureau in order to reduce costs of production.
	1.5 Availability of information exchange mechanisms to administer cap	1.5.1 Delays in completing assessments 1.5.2 Inaccurate payments 1.5.3 Recovery of over payments	L	H	LAs proactively work with DWP and vice versa to ensure suitable arrangements for exchanging data with Job Centres + and HMRC in place in the event that formal IT systems unavailable so that accurate payments can be made  Councils ensure processes in place to recover overpayments	LGA work with DWP to ensure the availability of reliable systems to exchange information between LAs/DWP/HMRC  LGA work to support the exchange and sharing of information and advice between councils to resolve procedural problems where they arise.  LGA work with DWP to ensure any costs associated with changes to IT systems are recognised as new burdens  LGA work with DWP to ensure any costs to councils associated with changes to IT systems are recognised as new burdens
2. Merger of HB into UC	2.1 Rundown of council capacity	2.1.1 Possible redundancy/pension strain costs 2.1.2 Possible TUPE issues 2.1.3 Redistribution/reduction of overheads	M	H	Councils undertake early planning to reduce staff as much as possible by natural wastage.  Councils budget for increased redundancy and pension strain costs.	Continue to work with DWP on behalf of councils for continuing role in the assessment for and payment of benefits.  LGA work with DWP to cover additional costs of redundancy/redeployment

Measure	Issues	Consequences	Probability	Impact	Possible Mitigation	Possible LGA Actions
	2.2 Increase in housing rent arrears	2.2.1 Cost of collecting arrears 2.2.2 Cash flow challenges, reduction in operating profits and reserves 2.2.3 Reduced opportunities for housing providers to secure capital at favourable rates	M	H	Early publicity by councils and RSLs to recipients of HB of changes, possible impact and advice on how to mitigate impact to try to reduce rent arrears.  Establishment of earmarked reserves in housing assoc and other RSLs to cover risk of increased debt	LGA develop publicity material for councils to draw on in producing their own locally branded advice. (see comments above)  LGA lobby DWP/CLG to acknowledge this risk and provide some degree of additional support to housing providers  Work with banks to promote continued confidence in the financial security of HAs and other housing providers.
3. HB no longer covers the full cost of specialist accommodation	3.1 Reduction in supported housing providers	3.1.1 Reduction in supply of supported accommodation 3.1.2 Increased care costs 3.1.3 People unable to maintain independence	M	M	Encourage the use of Personal Budgets to supplement benefits and help fund appropriate accommodation	LGA make a case to get the cost to councils of providing additional help, over and above the standard LHA, for those in need of more intensive levels of support, recognised as a new burden.
4. CTB localisation	4.1 10 % reduction in budget with protection for old and vulnerable	4.1.1 Working poor disproportionately affected	H	M	Councils assess whether it might be more cost effective to support some families from elsewhere in the budget rather than risk families ultimately requiring potentially more expensive alternative support.	LGA and LA/DWP SG work with CLG over grant distribution to seek a fair apportionment of the desired saving, so that councils with a high proportion of pensioner and vulnerable claimants receive sufficient grant to continue to pay claims to non protected groups.
	4.2 Increase in council tax arrears	4.2.1 Unplanned reductions in income for LAs	M	M		
	4.3 Increase in collection costs	4.3.1 Increased financial pressures on billing authorities	H	M		Attempt to capture increased costs and work with CLG to get them recognised as increased burden.
	4.4 IT system availability	4.4.1 Difficulties with administering localised support 4.4.2 Cost of procuring new IT systems	H	H	Engagement of IT suppliers initially through the DWP chaired IT suppliers group.  CLG establish similar group	Engage with IT suppliers groups to encourage expeditious production of new software.  Drive for the cost of new software to be

Measure	Issues	Consequences	Prob-ability	Impact	Possible Mitigation	Possible LGA Actions
					around support for council tax.	recognised by CLG as new burden
	4.5 Demanding timescale for implementation	4.5.1 Councils unable to deliver 10% saving in first year	M	M	Billing councils commence development of new schemes asap.  Billing councils develop contingency plans for continuation with current methodology in the event that new localised schemes not ready by 31 Jan 2013.	LGA press CLG to expedite publication of regulations/guidance.  LGA keep a close eye on timescales and in the event that late issuing of guidance/regulations precludes delivery of new localised schemes by 31 Jan 2013, considers lobbying CLG to delay for a year the imposition of the 10% saving and slipping the 2013 implementation dates. (allowable under the Local Government Finance Bill – Clause 8(5)).
5. Replacement of community care grants & crisis loans with local welfare assistance	5.1 Financial pressures on councils	5.1.1 Councils unable to support all claimants 5.1.2 Councils lack capacity to manage applications	M	M	Councils consider establishing an earmarked reserve  Councils plan to use existing staff eg in call centres/one stop shops as much as possible.  In two tier areas, upper tier authorities delegate responsibility and funding to DC/BCs with experience of handling claimants  Consider contracting out.	LGA seek to get this acknowledged as a new burden
	5.2 Use of loan sharks	5.2.1 Increase in debt 5.2.2 Increase in demand for family services	M	M	Provide support with financial planning and household budget management advice to at risk families.  Sustained campaign	Lobbying of MPs for restrictions on the activities of loan sharks.  Work with DWP on their initiative to encourage the growth and use of credit unions

Measure	Issues	Consequences	Probability	Impact	Possible Mitigation	Possible LGA Actions
6. Shift to on-line applications	6.1 Lack of access/capability	6.1.1 Difficult for vulnerable and IT illiterate applicants to access benefits	H	L	<p>against the engagement of loan sharks.</p> <p>Establishment of credit unions to provide affordable short term loans to the careful needy.</p> <p>Councils expand People's Network in libraries.</p> <p>Councils retain benefits staff to deal with face to face applications and train library and one stop shop staff to assist with on line applications.</p>	<p>Continue work with DWP for councils to be directly involved in the delivery of UC</p> <p>Work on behalf of councils to seek funding to extend People's Network to enable people without internet access to apply for benefits on-line</p>
7. Monthly direct payment of benefits	7.1 Poor budgeting skills	<p>7.1.1 Increased debt</p> <p>7.1.2 Openings for loan sharks</p> <p>7.1.3 Increased demand for social services and welfare assistance</p>	H	M	<p>Training and support with domestic budgeting to vulnerable recipients of benefits</p> <p>Establishment of credit unions</p> <p>See above</p>	
8. Application of CPI to LHA	8.1 Rent Inflation	<p>7.2 Arrears</p> <p>7.2.1 Rent arrears (see 2.2 above)</p> <p>7.2.2 Arrears with utility payments</p> <p>8.1.1 Gap between LHA and rents</p>	M	H	<p>Councils work with housing providers to encourage the inflation of rents by no more than the rate of CPI.</p>	<p>Lobby for a regular review of the relationship between housing support and housing costs and for their re-coupling before the system reaches crisis point.</p> <p>Raise with CLG if the situation starts to become critical.</p>
	8.2 Decline in affordability	8.2.1 Difficulty recruiting staff for low paid essential roles such as the day to day care of vulnerable and elderly people	M	H	Councils in high rent areas work with providers to develop schemes such as coordinated subsidised transport for essential workers	

Measure	Issues	Consequences	Prob-ability	Impact	Possible Mitigation	Possible LGA Actions
9. Personal Independence Payments					Councils encourage private housing providers to inflate rents by no more than the rate of CPI particularly for essential staff.	
10. <i>Under occupancy</i>	9.1 Displacement onto council services 10.1 Shortage of smaller properties	9.1.1 Pressures on assessment services and budgets 10.1.1 Tenants unable to move from no longer affordable properties	M  L (most areas) H (in a small minority of areas)	M  L	Councils consider negotiating with RSLs/HAs to enable tenants to remain over accommodated while paying rent at the entitled rate.  In areas affected councils develop with housing providers to a more balanced housing market if more cost effective than above.	
	10.2 Social housing residents excluded from fostering or adoption	10.2.1 Reduction in the pool of foster carers and adopters	M	H		LGA work with DWP for to take account of this.

**Note:**

Items in italics reflect amendments that have been carried in the Lords, but which remain in the matrix in case the amendments are rescinded when the Bill returns to the Commons.

## Impact descriptors

	<b>Low</b>	<b>Medium</b>	<b>High</b>
<b>Legal</b>	Minor civil litigation	Major civil litigation and/or local public enquiry	Major civil litigation setting precedent, criminal charge and/or national public enquiry
<b>Financial (to any one LA)</b>	Up to £0.5m	Up to £5.0m	Over £5.0m
<b>Reputation</b>	Minimal negative local media reporting	Significant negative front page reports/editorial comment in the local media	Sustained negative coverage in local media or negative reporting in national media or significant and sustained local opposition to a council's policies
<b>People and safeguarding</b>	Minor impact on communities/neighbourhoods with low level risk to the safety and wellbeing of vulnerable and or at risk adults and children	Significant impact on communities/neighbourhoods with medium level risk to the safety and wellbeing of vulnerable and or at risk adults and children	Very significant impact on communities/neighbourhoods with a serious risk to the safety and wellbeing of vulnerable and or at risk adults and children



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**Potential new burdens and pressures arising from Welfare Reform Bill**

1. Direct operational consequences:
  - 1.1 Costs of delivering the new localised support for council tax and of administering and supporting people in need from a new localised welfare assistance budget replacing crisis loans and community care grants.
  - 1.2 The procurement and maintenance of IT systems to deliver the new localised council tax support arrangements and the application of the benefits cap through Housing Benefit. Expansion of the People's Network in libraries and elsewhere to enable on-line benefit applications.
  - 1.3 Redundancy/pension strain costs from running down benefits teams and possible legal costs if staff challenge a lack of TUPE opportunities to Job Centre Plus delivery units.
2. Potential transfers of cost pressures from central government:
  - 2.1 Costs resulting from the inability of councils to deliver the 10% savings expected from the localised support for council tax, through being unable to achieve full approval for their localised plans by 31 Jan 2013, due to CLG's inability to deliver timely and appropriate guidance.
  - 2.2 Pressures from delivering demand led support for council tax and welfare assistance from capped non ring fenced grants.
  - 2.3 Scrapping of full costs of specialist housing support in HB and passing assessment of additional costs for people with special housing needs to councils.
3. Indirect consequences
  - 3.1 Costs of administering benefits for displaced families in receiving councils; providing temporary and Bed & Breakfast accommodation for people forced to move from accommodation that is no longer affordable; recovering increases in rent and council tax arrears; and providing advocacy/support/training to help people understand and deal with the new processes surrounding welfare application, support and payment arrangements.

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- 3.2 Pressures on social care and educational budgets in councils experiencing an influx of displaced people in receipt of benefits.
- 3.3 Possible need to build reserves to cover risks associated with the implementation of the Bill.
- 3.4 Defence of legal challenges around a perceived unfairness of variations in localised support for council tax.

**Note:**

It should be borne in mind that this list represents a worst case scenario. It is to be hoped that by mitigating as many as possible of the identified risks and reducing their impact the potential costs to councils will be significantly reduced.

## **A new conduct regime for councils**

### **Purpose of report**

For discussion and direction.

### **Summary**

In December the Leadership Board agreed that the LGA should prepare a simple template code of conduct, which councils can choose to adopt or amend as they see fit to meet their new duties on standards under the Localism Act 2011.

This paper:

1. sets out our current proposed draft template code;
2. updates member on the LGA's discussions with other interested groups; and
3. asks for members' views on how to handle questions of conflicts of interests, and possible guidance material to accompany a template code.

### **Recommendations**

That the Board

- **note** the revised timescales for implementation of the new standards provisions and the outcome the LGA's meeting with stakeholders.
- **discuss** progress towards preparing a template code of conduct, and offer direction on how the LGA should support councils on interests.

### **Action**

Officers to action in line with the Board's steer.

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## **A new conduct regime for councils**

### **Background**

1. The Localism Act 2011 significantly amends the standards regime in local government, including:
  - 1.1. Abolishing the Standards Board;
  - 1.2. Placing a duty to promote and maintain high standards of conduct;
  - 1.3. Requiring all local authorities to adopt a Code of Conduct;
  - 1.4. Requiring all local authorities (except parishes) to establish arrangements to investigate and make decisions on allegations, including appointing at least one independent person;
  - 1.5. Requiring members to notify their monitoring officer of both their “disclosable pecuniary interests” and those of their partner;
  - 1.6. Preventing members from participating in discussions and votes at meetings on matters where they have this type of interest, unless they have a dispensation from their authority;
  - 1.7. Creating a new criminal offence for members who fail without reasonable excuse to comply with 1.5 and 1.6 above.
2. The Department for Communities and Local Government (DCLG) has written to the LGA with revised timescales for the implementation of these provisions. The Standards Board will be abolished no later than 31 March 2012. Local authorities with unresolved complaints at that date will be under an obligation to handle these through their local statutory standards committees. These committees will then be abolished on 1 July 2012 and at this date local authorities will need to have new local Codes of Conduct and local arrangements to investigate and make decisions on allegations in place.

### **Development of a template Code of Conduct**

3. LGA officers chaired a stakeholder meeting on 17 January 2012 attended by Standards for England, the National Association of Local Councils (NALC), the Association of Council Secretaries and Solicitors (ACSeS), the Society of Local Authority Chief Executives (SOLACE), the Association of Local Authority Chief Executives (ALACE) and the Association of Democratic Services Officers (ADSO).
4. The meeting revealed a reasonable level of consensus around the Leadership Board’s preference for an LGA template code that is simple yet meaningful, with recognition that areas with more complex expectations could specify additional requirements for their members should they wish to.

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5. The LGA has prepared a draft template code, drawing upon the initial meeting with partner organisations, a draft code that has already been started by ACSeS and the content of the existing Model Code of Conduct. The current text will be circulated separately to Leadership Board members for discussion. Members will wish to express views on the overall form, content, and tone of the draft.

**Interests**

6. Alongside consistency with the Nolan Principles, the Localism Act requires local authority Codes of Conduct to “include the provisions the authority considers appropriate in respect of the registration in its register, and disclosure of (a) pecuniary interests and (b) interests other than pecuniary interests”. It is clear from this that local authorities would retain the ability to add interests that they believe need to be registered and disclosed in their local code and related complaints will be investigated through new local standards arrangements.
7. The Act also makes provision for the Secretary of State to define “disclosable pecuniary interests” in regulations. Failure to comply with the Act’s requirements in relation to this specific type of interest would be a criminal offence and therefore investigated by the police and subject to criminal sanctions. It is somewhat unclear whether these “disclosable pecuniary interest” will also need to be included within local codes.
8. The LGA will be meeting DCLG to discuss these regulations on 7 February. We understand from other stakeholders that DCLG has indicated an intention to largely replicate the categories of interests that must currently be registered under Part 2 of the existing Model Code of Conduct. This approach could result in “disclosable pecuniary interests” being defined to cover not only interests where members may benefit financially, but also require disclosure of voluntary roles, for example if a member (or their partner) is also a school governor.
9. Members may wish to be aware that NALC has recently written to the LGA highlighting the potential problems that may result because town and parish councils’ conduct issues will be dealt with by their principal authorities. There is a desire on NALC’s part to see adequate coverage of interests issues in a national template code in order to avoid principal authorities’ having to navigate too many different bespoke town and parish council codes.
10. Members are therefore asked to consider options for addressing interests within the LGA template code which, subject to further legal advice, could include:
  - 10.1. No LGA-endorsed text on interests but leaving a placeholder with basic guidance to highlight to councils that the Localism Act requires them to complete the interests section.

**Item 6**

- 10.2. Replicating the “disclosable pecuniary interests” defined by the Secretary of State in regulations, followed by a placeholder to prompt councils to add information on whether or not locally they require further interests to be registered and disclosed.
- 10.3. Including text to signpost to members that the Localism Act contains additional obligations on “disclosable pecuniary interests” that are outside the scope of the Code of Conduct, followed by a placeholder to prompt councils to add information on whether or not locally they require further interests to be registered and disclosed.

**Further support on standards**

11. Alongside the Code of Conduct, appropriate local arrangements to investigate and make decisions on allegations will be equally important for the new standards regime to be proportionate and effective. The LGA’s meeting with stakeholders highlighted the need to make sure that good practice and lessons learnt from the existing standards regime are available to the local government sector. Concerns were also expressed about the potential for new criminal offences to increase the over-cautiousness that is already present within the standards regime.
12. Members are asked to consider what role the LGA should have in providing further support in this area. One option would be to produce guidance, similar to our ‘Probity in Planning’ publication, to accompany the template code. This would provide an opportunity to:
  - 12.1. advise members on their wider legal obligations;
  - 12.2. support members to reach a consensus on appropriate uses of the standards regime to uphold the reputation of councils;
  - 12.3. disseminate learning from the existing standards regime to support the development of local arrangements; and
  - 12.4. clarify the role of officers and members in standards.
13. A proposal has also been put forward to use one of the remaining ‘Hot Topic’ sessions at the LGA’s 2012 Annual Conference to run a session on standards. This would be a valuable opportunity to raise awareness of a template code and the issues it gives rise to, whether or not Members wished to reinforce the template code with supporting material on an ongoing basis.

**Conclusion and next steps**

14. The Leadership Board is asked to discuss the emerging draft code and offer direction on how the LGA should look to influence forthcoming regulations and subsequently address interests in our template Code of Conduct and/or through further support to member councils.





## **National representative body for Police and Crime Commissioners**

### **Purpose of report**

For discussion and direction.

### **Summary**

1. On 22 November 2012 police authorities in England and Wales will be abolished and replaced with directly elected Police and Crime Commissioners (except in London where the role of PCC has been undertaken by the Mayor's Office for Policing and Crime since 16 January 2012).
2. Following their Awayday in September, the Leadership Board commissioned officers to continue discussions and to develop a membership offer for PCCs. Since then, the Chairman of the LGA has held initial discussions with Kit Malthouse, London Deputy Mayor; written to the Policing Minister, Nick Herbert signalling our offer in this area; and met Mark Burns-Williamson, Chair of the Association of Police Authorities.
3. A 'prospectus' outlining our offer will be tabled at the meeting.

### **Recommendation**

That LGA Leadership Board is invited to

- confirm its commitment to a membership scheme for PCCs;
- comment on the proposals set out in the draft prospectus and decide whether they wish to share them more widely.

### **Action**

Officers to take forward actions as directed.

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**Item 8**

**Public Affairs Review and Forward Plan**

**Purpose of Report**

To review forthcoming events, legislation, announcements.

**Summary**

This report sets out activities, events and legislation from January to May 2012.

**Recommendation**

That the Leadership Board note the content of the plan.

**Action**

For information.

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**Item 8**

**Public Affairs and Campaigns forward plan – January to May 2012**

**Priorities:**

**1. Lobbying**

- 1.1 Lobbying ahead of Queen's Speech in April/May – what would local government like to see in there?
- 1.2 Lobbying on LGA campaigns, including social care and others as directed by Leadership Board, as well as ongoing projects being driven by the Boards.
- 1.3 Local Government Finance Bill – issues around localisation of business rates and council tax benefits.
- 1.4 Health and Social Care Bill – continuing to brief parliamentarians ahead of Ping Pong.

**2. Campaigns**

- 2.1 Launching 'Be A councillor' campaign to encourage diversity of background in councillors.
- 2.2 Launching next stage of Hidden Talents campaign for more tools for councils to help boost youth employment.
- 2.3 Independent Local Government campaign to start a debate around the possibility of codification of the relationship between central and local government.
- 2.4 Local control over planning – addressing the issue of premises changing use without council control i.e. increase councils' control over local planning so they can shape high streets in line with local priorities and in order to drive up local economic growth.
- 2.5 Others as directed by the LGA Leadership Board.

**3. Stakeholder management**

- 3.1 Events programme including; Annual parliamentary reception, Vice Presidents lunch, new series of Smith Square debates.
- 3.2 Political contact programme for Chairman and Chief Executive.
- 3.3 Political contact programme for Board Chairs and LGA officers as required.

**4. Marketing**

- 4.1 Promotion to members – new subscription letters, undertake marketing research to understand what our members really want and to evaluate our communications channels.
- 4.2 Updated guides to services for members and updated guide to local government for stakeholders.
- 4.3 Promotion of online offer including LG Inform and Knowledge Hub
- 4.4 Continued promotion of 'Taking the lead: self-improvement in local government'.
- 4.5 Refreshed National Graduate Development Programme.
- 4.6 Support to programmes.



**Item 8**

**Look ahead**

<b>Month:</b>	<b>January 2012</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>
<b>External events</b>	<ul style="list-style-type: none"> <li>• CLG Red Tape Challenge on Housing, Planning &amp; Construction TBA</li> <li>• Rail White Paper</li> </ul>	9 <sup>th</sup> -20 <sup>th</sup> Recess 8 <sup>th</sup> Local Government Settlement debate <ul style="list-style-type: none"> <li>• NPPF final policy TBA</li> <li>• Special Education Needs White Paper TBA</li> <li>• Adoption Green Paper</li> </ul>	21 <sup>st</sup> Budget	5-26 <sup>th</sup> April recess <ul style="list-style-type: none"> <li>• Parliamentary boundary changes</li> <li>• Introduction of new welfare and housing benefit conditions in April 2012</li> <li>• NPPF to be implemented</li> <li>• Ministerial report on homelessness TBA</li> </ul>	3 <sup>rd</sup> Local government elections 9 <sup>th</sup> Queen's Speech
<b>Meetings, speeches, select ctte inquiries</b>	25 <sup>th</sup> Cllr Parsons evidence Natural Environment, EFRA select ctte 27 <sup>th</sup> Live Music Bill Ping Pong and expected Royal Assent 27 <sup>th</sup> Local Government Ombudsman Bill Third Reading <ul style="list-style-type: none"> <li>• Chairman meeting Matthew Hancock MP to be</li> </ul>	1 <sup>st</sup> LGA/Age UK Conservative social care roundtable with Margot James MP 1 <sup>st</sup> Meeting with Justine Greening, new Transport SoS 2 <sup>nd</sup> Guardian Public Services Summit CD speaking 6 <sup>th</sup> CD meeting Baroness Hanham 8 <sup>th</sup> MC & David Parsons	27 <sup>th</sup> Vice Presidents lunch 23rd March, deadline for Justice Select Ctte inquiry into Youth Justice	EFRA Air Quality select ctte enquiry evidence	

**Item 8**

<p><b>Legislation</b></p>	<p>31<sup>st</sup> Local Government Finance Bill Commons Committee stage</p> <ul style="list-style-type: none"> <li>Welfare Reform Bill Report Stages and likely Third Reading</li> </ul>	<p>rescheduled</p> <ul style="list-style-type: none"> <li>26<sup>th</sup> Tom &amp; Abigail Burridge - Baroness Smith of Basildon</li> <li>31<sup>st</sup> Tom &amp; Waltham Forest – Joan Ruddock MP</li> <li>LGA offering written submission to EFRA Select Ctte inquiry into Water White Paper</li> </ul>	<p>meeting Greg Barker MP 21<sup>st</sup> CMS Select Committee Library Closures inquiry evidence session</p> <p>Tom / Clarissa Corbisiero / Romilly Beard – Jack Dromey MP (date tbc)</p> <p>17 Feb – deadline for Transport Select Ctte inquiry into Competition in Local Bus Market</p>		
	<p>8<sup>th</sup> Health &amp; Social Bill Report stage</p> <ul style="list-style-type: none"> <li>Local Government Finance Bill Commons Third Reading expected</li> <li>Health and Social Care Bill Third Reading in House of Lords and Ping Pong expected</li> <li>Public Services Reform Bill TBC</li> </ul>		<p>April – social care white paper expected</p>		<p>Local Government Finance Bill Lords Second Reading expected</p>



**Item 8**

<b>Campaigns</b>	<p>30<sup>th</sup> Graham Allen MP's constitutional reform campaign launch</p> <p>30<sup>th</sup> January Independent Local Government campaign roundtable with Constitutional Reform Committee (House of Commons)</p> <ul style="list-style-type: none"> <li>• Local Growth Campaign regional events</li> <li>• Local authority bonds business case</li> </ul>	<p>1<sup>st</sup> Parliamentary reception and re-launch of 'Be a councillor' 9<sup>th</sup> February</p> <p>Parliamentary Reception to launch Independent Local Government campaign</p> <ul style="list-style-type: none"> <li>• Hidden Talents – Interim Report published</li> <li>• Hidden Talents – LGA Youth Summit to launch campaign.</li> <li>• 29<sup>th</sup> February – Independent Local Government Smith Square debate</li> </ul> <p>Planning control – public opinion research to be published in open letter to government</p>	<p>14<sup>th</sup> Launch LGA policy paper on Social Care</p> <ul style="list-style-type: none"> <li>• Hidden Talents – Theme 1</li> <li>• Local Growth Campaign regional events</li> <li>• Independent Local Government regional events</li> </ul> <p>Planning control – council research to be published, coordinated with placed opinion pieces in media</p> <p>Planning control – First article</p> <p>Planning control – respond to Government consultation on use-classes</p>	<ul style="list-style-type: none"> <li>• Hidden Talents – Theme 2</li> <li>• Local Growth Campaign to have a report to session at LGA Conference in June 2012</li> <li>• 16 April – Academic roundtable for Independent Local Government campaign</li> </ul> <p>Local control – potential parliamentary roundtable tbc</p> <p>Planning control – business research (tbc) focused on SMEs</p> <p>Planning for new corporate campaigns</p>	<ul style="list-style-type: none"> <li>• Hidden Talents – Theme 3</li> <li>• Possible Westminster Hall debate for Independent Local Government (tbc)</li> </ul>
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**Item 8**

<p><b>Marketing</b></p>	<p>28th- Hidden Talents in First</p> <ul style="list-style-type: none"> <li>• First set of 'Taking the lead' case studies ready for publication</li> <li>• Initiate market and marketing research</li> <li>• Updated and published Quick Guide to Local Govt.</li> <li>• Update our 'Guide to services': Your Local Government Association</li> </ul>	<ul style="list-style-type: none"> <li>• 1<sup>st</sup> Relaunch of 'Be a councillor' – running until local elections May 2013</li> <li>• Promotion of LG Inform to district councils and internally</li> <li>• Collation and promotion of case studies for 'Taking the lead: self-improvement' offer – ongoing until June.</li> <li>• Refreshed National Graduate Development Programme</li> </ul>	<ul style="list-style-type: none"> <li>• Marketing planning for 2012/13</li> <li>• Online Offer comms with more official launch of Knowledge Hub to coincide with closing of CoP platform.</li> </ul>	<ul style="list-style-type: none"> <li>• New 'Guide to Services' and 'Business Plan'</li> </ul>	
<p><b>Major LGA events/conferences</b></p>	<p>27<sup>th</sup> Local Government Finance conference with Eric Pickles</p>	<p>2<sup>nd</sup> Waste &amp; Recycling conference 16<sup>th</sup> Speechwriting training 27<sup>th</sup> Planning conference 28<sup>th</sup> Public Health conference 29<sup>th</sup> Smith square Debate – Independent Local government</p>	<p>7-8<sup>th</sup> Culture conference 14<sup>th</sup> Smith Square Debate – Adult Social care 20<sup>th</sup>-21<sup>st</sup> Fire conference 21<sup>st</sup> Smith Square Debate – Planning Reform 28<sup>th</sup> Smith Square Debate – Public Service Reform</p>	<ul style="list-style-type: none"> <li>• Prepare for party conferences</li> <li>• Prepare for LGA conference</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>

## **LGA Forward Plan**

### **Purpose of report**

For discussion and direction.

### **Summary**

The Leadership Board is responsible for driving the Association's activities and business, taking a lead in developing and overseeing delivery of the business plan and identifying the emerging and key issues to highlight to the Executive.

As part of this, Members are invited to consider which items they would like to see on future agendas of the Leadership Board, Executive and Councillors' Forum.

The current draft agendas for March are attached at **Appendix A.**

### **Recommendation**

Members are invited to specify topics and items for future meetings of the Executive, Leadership Board and Councillors' Forum.

### **Action**

Officers to brief members and officers in line with steer.

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**March 2012**

**Appendix A**

<b>LGA Leadership Board 14.3.12</b>	
<b>Item</b>	<b>Summary</b>
<b>LG Ombudsman</b>	<b>Meeting with representatives of the LG Ombudsman to share information and develop closer working relationships</b>
<b>LGA Business</b>	
Budget and business plan	Final discussion on the LGA business plan and budget 2012/13 prior to presentation to the Executive
LGA Membership Offer	To review the LGA's 2012 Membership Offer
Report of the Research Special Interest Group	This SIG was established in March 2011, subject to a review after 12 months.
Chief Executive's Report	To hold the CX to account against delivery of business plan priorities
Public Affairs review and Forward Plan	To review forthcoming events, legislation, announcements
Annual Conference 2012	Update on the programme for this year's Annual Conference in Birmingham
LGA Executive Agenda	To run through the items to be considered by the LGA Executive Agenda on 15 march
Note of last meeting	To approve the note of the last meeting of the LGA Leadership Board.

On rising – chairman and Group Leaders to meet with the Audit Commission

<b>Councillors' Forum 15.3.12</b>	
<b>Item</b>	<b>Summary</b>
<b>Improvement</b>	<b>Panel to be confirmed</b>
Chairman's Report	To present the Chairman's monthly report
Chair of Boards' Report	To present the Chairs of Programme Boards' monthly reports

<b>LGA Executive 15.3.12</b>	
<b>Item</b>	<b>Summary</b>
<b>The LGA's improvement offer</b>	<b>To discuss the LGA's current improvement offer</b>
<b>Regional Report – West Midlands</b>	<b>Cllr Philip Atkins will present on behalf of the West Midlands</b>
<b>LGA Business</b>	
Budget and business plan 2012/2013	To sign off the final budget and business plan 2012/13
Note of LGA Leadership Board	To highlight key issues from LGA Leadership Board the previous day
Note of last LGA Executive meeting	To approve the note of the last meeting.

**April 2012**

LGA Leadership Board 11.4.12	
Item	Summary / Purpose
<b>To be confirmed</b>	
<b>LGA Business</b>	
Integration of LGA/former LG Group	To review progress on the integration of LGA and the former LG Group
Chief Executive's Report	To hold the CX to account against delivery of business plan priorities
Public Affairs review and Forward Plan	To review forthcoming events, legislation, announcements
LGA Executive Agenda	To consider the LGA Executive Agenda for the following day
Note of Last meeting	To approve the note of the last meeting.

**Note:** There is no Executive or Councillors' Forum in April.

**Item 10**

## **Smith Square Debates Spring Season 2012**

### **Purpose of Report**

To advise the Leadership Board of the upcoming Smith Square Debates, their title, content and proposed panellists. At the time of writing, invitations were being prepared to be sent to the relevant audience as per our events database, including MPs, Peers, Council Leaders, Chief Executives, relevant academics, think tanks, private sector trade associations, third sector bodies, parliamentary research staff and select committee staff.

### **Summary**

This report outlines the proposed programme of the four Spring 2012 Smith Square Debates.

### **Recommendation**

That the Leadership Board note the content of the report and provide any comments that they feel may improve the events, and, where possible, attend the events that are most relevant to them.

### **Action**

Officers to action in accordance with Members' discussions.

**Contact officer:**

Tim Hamilton

**Position:**

Interim Head of Public Affairs and Campaigns

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**Item 10**

**Smith Square Debates**

**Background**

1. The Smith Square debates have been running for several years now as a bi-annual series of three or four debates. Originally the LGA held one debate for each of the Boards but now they are focused on the key issues for the sector, on areas where we want to be seen to be at the forefront of the debate. The debates have grown in popularity and success. Originally attracting primarily a local government officer based audience we now regularly draw audience members from key stakeholders (including think tanks, charities and the private sector), parliamentarians and their advisors, LGA members and senior offices and journalists.
2. The last series of debates covered the riots, public health, local economies and housing. We felt the last series of debates were particularly worthwhile for the standard of panel members, the quality of attendees and the lively debates which took place. The debates normally take place on a Wednesday from 6pm. They have run before as follows – the chair introduces the panel members, each panel member has 3 minutes to outline their views on the topic, and the debate is then opened up to the floor for around 45 minutes to an hour depending on the level of discussion. The debate is followed by drinks. They provide not only a forum for debate and an opportunity for us to promote the LGA as leading the debate on a particular area but also for us and our members to build relationships with our key stakeholders.

**Spring Season 2012**

**Debate 1: Local Government's Magna Carta?**

29 February

3. This Smith Square debate will form part of a wider constitutional reform event series (in conjunction with Political and Constitutional Reform Committee), Independent Local Government, which will be launched in February.
4. Who is ultimately responsible for what when it comes to funding and deciding how to provide local public services? Taxpayers are disadvantaged and confused by a lack of clarity, with nothing that stipulates exactly what the relationship is between central and local government.

**Item 10**

5. Is a code needed to form the basis of local government's relationship with central Government and is this the best tool for ensuring financial autonomy and operational independence from central Government? The debate will focus on whether such a code would allow local authorities to clearly demonstrate that they are responding to the needs and wants of their local communities, rather than acting on central government prescriptions; and will explore whether such an agreement could be effective in promoting a greater sense of engagement within local areas.

**Debate 2: Social care in 2012 is an embarrassment; can we salvage anything from the current system?**

14 March

6. We all know the social care system needs urgent reform, but with previous attempts failing, we are now in last chance saloon. With the very real prospect that the system will break under the strain, this debate will look at what needs to happen now to make the system fit for purpose. With local government left to juggle budget cuts and an ever increasing list of responsibilities who picks up the pieces if the system fails? Should we privatise the system or truly localise to ensure future generations get the best possible care and support?
7. This debate will coincide with the launch of the LGA's publication on care and support, which will outline how we think the system could be reformed.

**Debate 3: Planning reform – help or hindrance?**

21 March

8. Planning has been in the news like never before. There has been significant debate around the Coalition's attempt to improve the planning system by stripping away the reams of complex and sometimes contradictory national policy to focus on key principles enshrined in just over 50 pages within the NPPF, which is for sign off by Government any day now.
9. Is the NPPF the miracle solution to the problems plaguing the planning regime? Many queries and concerns certainly remain about its practical implementation and whether it will indeed be a help or a hindrance. How far will the NPPF improve the current planning system? Has it created as many problems as solutions? And has it failed to address some key barriers facing both industry and councils?
10. This will be an opportunity for panellists and attendees to engage in discussion around their concerns and ongoing barriers to an effective planning regime, including wider subjects such as high street regeneration, local growth, and correcting the use class system.

**Item 10**

**Debate 4: Public service reform: ‘Is Whitehall’s 19<sup>th</sup> Century model of funding public services fit for the 21<sup>st</sup> Century?’**

28 March

11. Councils have already found savings of 28 per cent and are being asked to find more. Whilst local authorities develop innovative models of delivering public services, Whitehall continues to create blockages that prevents a truly localist method of delivery. As strong leaders and innovators, responsible for stimulating the local economy, the debate about how we drive changes and navigate tough times will be vital for the future of the sector.
12. We will be asking whether the dominant Whitehall machine is fit for purpose in a reformed public service landscape, and if local authorities operate effectively within the existing structures. Or can departmental structures, quangos and the apparatus of departmental accountability meet the challenge of providing modern, targeted twenty first century public services?



## Note of decisions taken and actions required

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<b>Title:</b>	<b>LGA Leadership Board</b>
<b>Date and time:</b>	11 January 2011 at 2.00pm
<b>Venue:</b>	Smith Square Rooms 1 & 2

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### Attendance

<b>Position</b>	<b>Councillor</b>	<b>Council</b>
Chairman	Sir Merrick Cockell	RB of Kensington & Chelsea
Vice-chairman	David Sparks OBE	Dudley MBC
Vice-chairman	Gary Porter	South Holland DC
Vice-chairman	Gerald Vernon-Jackson	Portsmouth City
Vice-chairman	Marianne Overton	Lincolnshire CC
Deputy-chairman	Steve Reed	Lambeth LB
Deputy-chairman	Mayor Dorothy Thornhill MBE	Watford BC
Deputy-chairman	Andrew Lewer	Derbyshire CC
Deputy chairman	Robert Gordon DL	Hertfordshire CC
<b>Apologies</b>	Sharon Taylor	Stevenage BC
	Robert Light	Kirklees Council

<b>Item</b>	<b>Decisions and actions</b>	<b>Action by</b>
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The Chairman informed the Leadership Board that Councillor Robert Light's son had recently been injured in Afghanistan. The Chairman asked that the Leadership Board's best wishes for Matt's recovery be passed to Councillor Light and his family.

### 1. **Joint working with the House of Commons Select Committee on Political and Constitutional Reform**

The Select Committee had commissioned a draft code to form the basis of local government's relationship with central government. Graham Allen MP, Chairman of the Select Committee, joined the meeting to discuss how the LGA and the Select Committee could work together to give the proposed code wider prominence.

The Chairman welcomed Graham Allen to the meeting. Graham Allen told the Leadership Board that other Parliamentary

colleagues, including Ministers of both coalition parties and the Chairman of the Local Government Select Committee, were also interested in engaging in the debate on central local relations. The LGA was in a strong position to lead the reform and to underline the importance of local democracy and democratically elected councillors. A number of events, including roundtable discussions and Parliamentary events, were being arranged, leading up to a session at the LGA's conference in June.

Graham Allen thanked LGA officers for their work with his Committee in developing the plan of joint action so far.

During the discussion, Members

- expressed their broad support for the Select Committee's proposed plan of joint action
- highlighted concerns at current perceptions of the relationship between central and local government and the impact of those perceptions on the numbers of people wishing to become involved in local democracy.
- questioned whether codification was the best way to bring about a change in the relationships between central and local government.

### Decision

*The Leadership Board **agreed***

- *to support, in principle, the proposed plan of action to invigorate the debate at a national and local level, whilst not endorsing the draft code at this stage, pending the views of member councils.*

### Action

LGA officers to work as part of a joint campaign team that would plan and deliver the proposed events, publications and media coverage.

**Paul Raynes**

## **2. LGA Vision and Priorities: Draft Business Plan 2012-2013**

The Chairman introduced a report which presented the LGA's draft Business Plan for 2012/2013 for the Board's initial review

The Leadership Board discussed the report and made a number of detailed comments, which are set out in the decisions below.

The Chairman highlighted the need to clarify in the Business Plan that work on infrastructure funding includes pension funds.

## Decision

### *The Leadership Board*

- confirmed its support for the high level priorities in the outline business plan but asked for further work so that the plan is more focused and clearer about the key results the LGA is seeking to achieve in 2012/13. This will ensure that the LGA can be held to account and be clear to its membership about the impact it is having on their behalf.
- asked that the LGA's Programme Boards develop this more focused approach in reviewing their priorities for 2012/13 in the January round of meetings and ensure that all their priorities are outcome-focused.
- asked that adult social care, local government funding and economic growth are identified as campaign priorities for the year ahead with work to start immediately on making clear the added value the LGA delivers for its membership.
- asked that these campaigns are given full prominence in the business plan.
- requested more detailed information on the 2012/13 budget to be presented alongside the business plan.
- confirmed that a revised, more focused Business Plan should be presented to March Executive for final sign-off.

## Actions

An amended outline budget for 2012-2013 to be tabled at the Executive meeting the following day.

**Helen Platts**

The final 2012/2013 Business Plan and Budget to be presented to the LGA Executive's March meeting.

**Carolyn Downs**

### **3. Public Policy Challenges in 2012**

Luke Blair, the Association's Interim Director of Communications, introduced a report setting out potential opportunities for future LGA campaigns.

The Leadership Board made a number of detailed comments on the issues set out in the report, which were noted by officers.

## Decision

*The Leadership Board **agreed** that the following issues should be the subject of future LGA campaigns:*

- *Adult Social Care*
- *Local Government Funding; and*
- *Economic Growth*
- *Public Service Reform and the impact on local government*

Action

Officers to work up more detailed proposals on the proposed campaigns for the February meeting of the Leadership.

**Luke Blair**

**4. LG first**

Gary Porter, who had requested the item, outlined his concern that *first* was not currently reflecting what were “hot topics” for councillors and did not include opportunities for political debate. The Leadership Board broadly supported this view.

Decision

*The Leadership Board agreed*

- *the need for **first** to focus more clearly elected members priorities and to include opportunities for the Group Leaders to debate key issues on a regular basis;*
- *that a meeting be arranged between the LGA’s Group Leaders and the magazine’s editorial Board to discuss the issues raised by the Leadership Board.*

Action

Officers to arrange for Group Leaders to meet the editorial board.

**Luke Blair**

**5. Local Government Finance Task & Finish Group**

Stephen Jones, Director of Finance and Resources, introduced a report seeking the Leadership Board’s approval of the Terms of Reference for the Task & Finish Group, to oversee more detailed work on local government finance over the next six months.

Decision

*The Leadership Board*

- ***approved** the terms of reference for Task Group;*



- **agreed** that the membership of the new Task and Finish Group should be based on a Panel.

Action

Political Group officers to seek nominations to the Task Group as soon as possible.

**Heads of  
Group Offices**

**6. LGA annual conference and exhibition 2012**

Roberta Henry, Senior Events Organiser, updated the Board on progress on the LGA Annual Conference, taking place in Birmingham from 26-28 June 2012.

The Board discussed the Conference Programme and made a number of comments which were noted by officers.

Decisions

*The Leadership Board*

- **agreed** that an invitation to speak at the conference be extended to the Chancellor of the Exchequer, the Rt Hon George Osborne MP.

Officers to take forward in accordance with the Boards discussion/decisions and to submit further progress reports in due course.

**Roberta Henry**

**7. Chief Executive's Monthly Report – January 2012**

Carolyn Downs, Chief Executive, introduced her first report to the Leadership Board, setting out the achievements over the past month of each of the nine programme boards and the LGA Executive based on the business plan priorities, The report also included performance against key corporate indicators, including membership and budget.

The Chief Executive invited feedback on the report, which would be an important vehicle for the Leadership Board to hold officers to account.

Decision

*The Leadership Board **received** the Chief Executive's report for*

January 2012.

Action

Further reports to be presented to the Leadership Board's monthly meetings.

**Carolyn Downs**

**8. Visits to Member Councils**

The Leadership Board received a report outlining the Chairman and Chief Executive's forthcoming visits to member councils.

Decision

*The Leadership Board **agreed***

- *to receive a monthly schedule to include all the Leadership Board's, and the Chief Executive's visits.*
- *that the schedule of visits and activities around the country should be publicised more widely with the Association's membership*

Action

Officers to investigate ways of publicising the breadth of activity more widely, including on the LGA website

**Claire Holloway**

**9. LGA Executive agenda for 12 January 2012**

Carolyn Downs, Chief Executive, took the Leadership Board through the LGA Executive agenda for the following day.

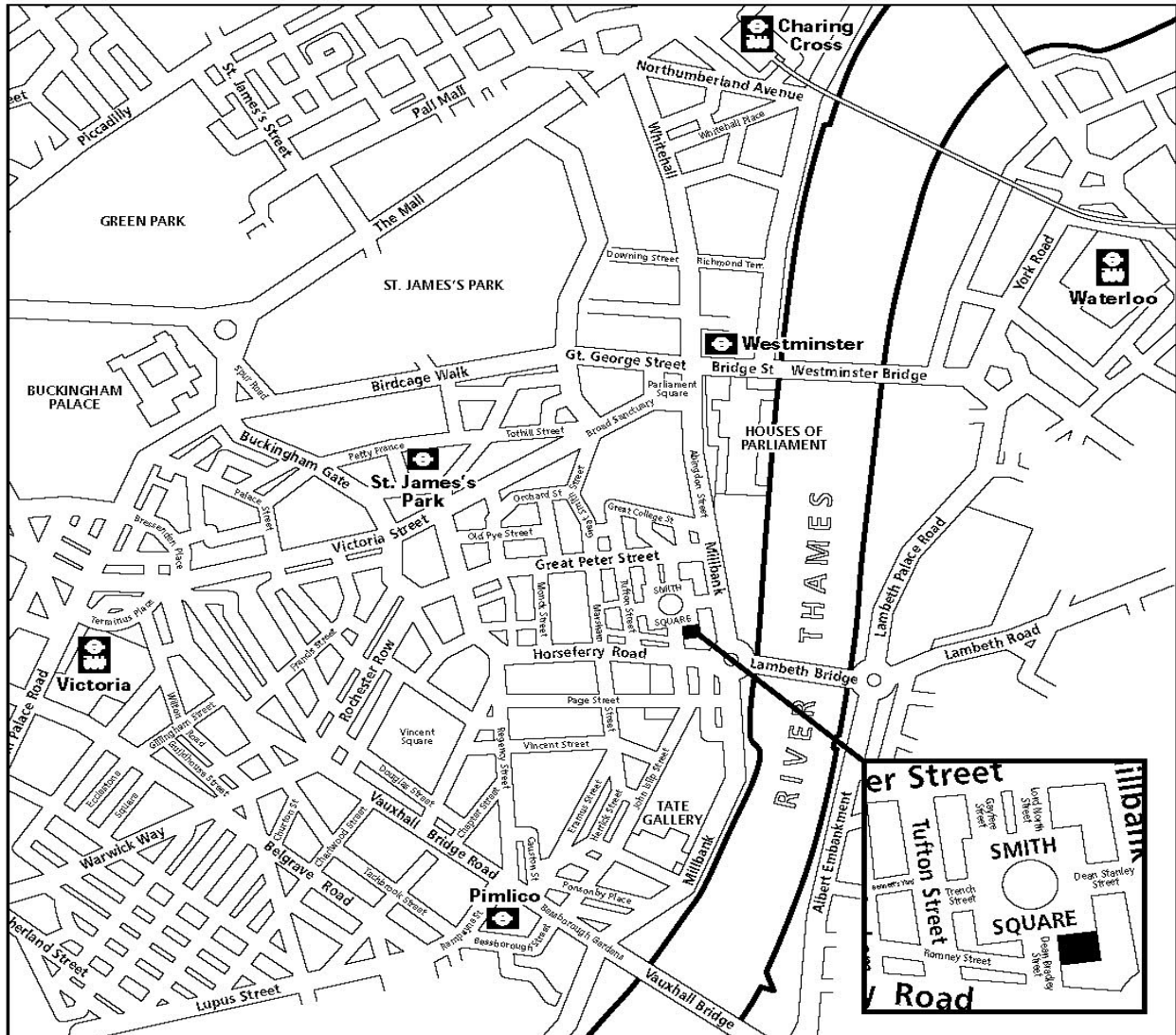
**10. Note of the last meeting**

Decision

*The Leadership Board **agreed** the note of the last meeting.*



## LGA Location Map



### Local Government Association

Local Government House  
 Smith Square, London SW1P 3HZ  
 Tel: 020 7664 3131  
 Fax: 020 7664 3030  
 Email: [info@lga.gov.uk](mailto:info@lga.gov.uk)  
 Website: [www.lga.gov.uk](http://www.lga.gov.uk)

### Public transport

**Local Government House** is well served by public transport. The nearest mainline stations are;

#### Victoria

and **Waterloo**; the local underground stations are **St James's Park** (District and Circle Lines); **Westminster** (District, Circle and Jubilee Lines); and **Pimlico** (Victoria Line), all about 10 minutes walk away. Buses **3** and **87** travel along **Millbank**, and the **507** between Victoria and Waterloo goes close by at the end of **Dean Bradley Street**.

### Bus routes - Millbank

**87** Wandsworth - Aldwych **N87**  
**3** Crystal Palace - Brixton - Oxford Circus

### Bus routes - Horseferry Road

**507** Waterloo - Victoria  
**C10** Elephant and Castle - Pimlico - Victoria  
**88** Camden Town - Whitehall - Westminster - Pimlico - Clapham Common

### Cycling Facilities

Cycle racks are available at Local Government House. Please telephone the LGA on 020 7664 3131.

### Central London Congestion Charging Zone

Local Government House is located within the congestion charging zone. For further details, please call 0845 900 1234 or visit the website at [www.cclondon.com](http://www.cclondon.com)

### Car Parks

**Abingdon Street Car Park**  
 Great College Street  
**Horseferry Road Car Park**  
 Horseferry Road/Arneway Street