

Note of decisions taken and actions required

Title:	LGA Leadership Board
Date and Time:	9 January 2013
Venue:	Smith Square Rooms 1 & 2

Position	Councillor	Council
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	Andrew Lewer	Derbyshire CC
Deputy-chairman	Robert Gordon CBE DL	Hertfordshire CC
Deputy-chairman	Robert Light	Kirklees Council
Deputy-chairman	Sharon Taylor OBE	Stevenage BC
Deputy-chairman	Mehboob Khan	Kirklees Council
Deputy-chairman	Mayor Dorothy Thornhill MBE	Watford BC

Apologies:

None.

Councillor Sir Merrick Cockell, Chairman, on behalf of the Leadership Board, congratulated Cllr Sharon Taylor on her OBE, received in the Queen's New Year's Honours List.

The Chairman welcomed Daniel Goodwin, the LGA's new Executive Director, LG Finance and Policy, to his first Leadership Board meeting.

1. National Association of Local Councils

The Chairman welcomed Cllrs Ken Browse (Chairman), Deryck Nash (Vice-Chairman), Richard Parry (Vice-Chairman) and John Findlay (Chief Executive) to the meeting.

Cllr Browse thanked the Board for the opportunity to meet and said that NALC looked forward to working with the LGA in future. Cllr Browse referred to the joint LGA and NALC conference *Modelling devolution – Working Together to deliver local services* in Local Government House on 30 January. The conference would give delegates the opportunity to discuss different approaches to service devolution and how local communities could benefit.

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John Findlay said that he was particularly pleased at the opportunity for engagement at member level. He outlined the LGA's and NALC's common agenda, including service delivery and community engagement.

Board members and NALC representatives discussed the potential benefits of working together. In particular specific service areas already devolved effectively in some areas eg. CCTV, road safety and gritting of pavements. They also discussed the potential for further collaboration. Councillor Mehboob Khan (Kirklees Council) referred to collaboration between West Yorkshire Fire & Rescue Authority and a local parish council to provide retained fire cover.

The Chairman said that the LGA and NALC had a great deal of common ground and that the LGA would look forward to working co-operatively and structurally with NALC. He emphasised the potential for the two Associations to enhance the reputation of local government overall by working together to secure the public's trust and to ensure that the highest standards of public office are upheld and are transparent and fully accountable.

The Chairman thanked Cllrs Browse, Nash and Parry and John Findlay for coming to the meeting.

2. Local Government Finance Settlement

Cllr Sharon Taylor OBE, Chair of the Finance Panel, introduced a report summarising the key lobbying wins, further details on the various totals used for comparison and sets out the key points suggested for the LGA's responses to the finance settlement. Cllr Taylor also reported back on the Finance Panel's lead members' discussions on the Finance Settlement earlier in the day.

The Chairman reported back on the Group Leaders' discussion with Brandon Lewis MP, Parliamentary Under Secretary of State, CLG that morning. Members stressed to the Minister the considerable problems caused by the lateness of the settlement for councils in finalising their budget processes for 2013-2014 at a time when the major changes of business rates retention and local support for council tax are introduced. Group Leaders received some clarity from the Minister on key grants for public health. However, mixed messages were received from the Minister on the holdback of early intervention grant. Members informed the Minister that the LGA would keep a careful watch on the impact of business rates appeals.

Board members made a number of detailed comments which were noted by members. In particular, they stressed the urgent need for clarity regarding council tax support arrangements. Members also sought clarity on requirements for local councils to consult on service delivery. The Board emphasised the need to strengthen the LGA's response on

- business rate appeals
- council tax support
- more for capitalisation but without the top slice of funding

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Carolyn Downs, Chief Executive, reported the LGA's satisfaction with the news that local government would get an additional £300m in public health funding, an overall increase of 5.5% for the whole sector.

Decision

*The Leadership Board **agreed** that officers draw up the response to the Settlement on the lines suggested in the report and taking into account members' comments, with final clearance being given by lead members of the Finance Panel.*

Action

Officers to complete and forward the response to the Department for Communities and Local Government by the closing date.

Nicola Morton

Officers to seek urgent clarity from DCLG on council tax support arrangements.

Nicola Morton

3. Welfare Reform

Paul Raynes, Head of Programmes, introduced a report updating the Board on the Government's welfare reform plans and the LGA's programme of work.

Paul Raynes informed the Board that Cllr Sharon Taylor OBE, Chair of Finance Panel, gave evidence to the CLG Select Committee on the Implementation of Welfare Reform by Local Authorities, on 19 December 2012. Cllr Taylor would provide further evidence to the Select Committee following the outcome of the pilots.

Paul Raynes also referred to the extra capacity now secured in the officer team and thanked John Wright, Senior Adviser, for his contribution to the LGA's work on welfare reform.

The Board received an update from Paul Raynes on further developments on the council role in Universal Credit, including discussions with DWP on the TUPE position of local government staff and with Lord Freud on the draft framework document.

Board members made a number of detailed comments which were noted by officers. In particular, they expressed their considerable concerns about the implications of direct payment to households of Universal credit.

Decision

*The Leadership **noted** the update on welfare reform and agreed to receive by correspondence a copy of the final draft of the framework document for approval".*

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Action

Officers to take forward.

Paul Raynes

4. Whole Place Community Budgets

The Ernst & Young financial aggregation study of the whole place community budget pilots was tabled at the meeting. The Board also received a supplementary report setting out the conclusions of the aggregation study and the next steps.

Paul Raynes updated the Board on taking forward the whole place community budget approach to local public service reform.

The Chairman reported that Whole Place Community Budgets would be the subject of discussion at the Councillors Forum and the LGA Executive the following day.

Members made a number of detailed comments, noted by officers, including the need to avoid giving the impression that savings from community budgets were needed, but were not enough to solve the funding gap councils face, which the LGA has estimated at over £16 billion by the end of the decade.

Councillor Marianne Overton asked for a report on the experience of participatory budgeting in other European countries/municipalities eg. Denmark, to be provided to a future Leadership Board meeting.

Decision

*The Leadership Board **noted** the report and update prior to discussion at the Councillors' Forum and LGA Executive on 10 January.*

Action

Officers to prepare a paper on participatory budgeting in other European countries to a future Leadership Board meeting.

Paul Raynes

5. Draft Business Plan 2013/14

The Leadership received a draft LGA Business Plan for 2013/14, which would be the subject of discussion at the Chairs of Boards and Panels/LGA Leadership Board meeting that evening. The Business Plan would be finally agreed by LGA Executive in March 2013, along with the LGA's annual budget.

6. Third Quarter performance report: April – December 2012

Helen Platts, Head of Business Development, introduced the performance report for the third quarter which reports back on this year's business plan.

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Carolyn Downs reported that the decision to allow an additional 2.5% discount to all authorities that have not (at the time of issue of the subscription invoice) given notice to withdraw from the LGA is showing positive results as a number of authorities have withdrawn their notice.

7. Forward Plan

The Leadership Board received a revised draft forward plan for the Board, the Executive and the Councillors' Forum. Members requested that the following reports be included:

LGA Leadership Board

February 2013 - Review of Councillors' Pensions

LGA Executive

March 2013 - Broadband Delivery UK
Proportionate Regulation

Action

Officers to provide reports as set out above.

LGA Officers

8. Note of the last meeting – 12 December 2012

Decision

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

9. LGA Executive agenda

Decision

*The Leadership Board **noted** the Executive agenda for the following day.*

10. Liberata Contract Renegotiation

Helen Platts introduced a report updating members on progress with renegotiating the Liberata contract.

Cllr Gary Porter (Vice-chairman) thanked officers for their work on the renegotiation of the contract.

Decision

*The Leadership Board **noted** that the Heads of Terms Agreement with Liberata*

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had been finalised as the basis for a revised contract to be put in place from April 2013.

Action

The revised contract to be agreed by 1 April 2013.

11. RSG Topslice – implications of the recently announced reduction in 2014/2015

Helen Platts, Head of Business Development, introduced a paper outlining the possible implications of a further 5.5% reduction in RSG topslice in 2014/15.

Cllr Gary Porter emphasised the need to demonstrate to Government where local government has been able to secure significant reductions in costs to the sector.

Decision

*The Leadership Board **noted** the possible implications of a further 5.5% reduction in RSG topslice in 2014/15.*

Action

Chief Executive to develop proposals to achieve a balanced budget in 2014/15, for presentation to members as the basis for the 2014/15 business planning and business planning and budgeting.

12. Chief Executive's Report – January 2013

Decision

*The Leadership Board **noted** the Chief Executive's report for January 2013.*