

## **The LGA Independent Commission- Review of Relationships**

### **Decisions**

- 1. Members are asked to note the presentation.**

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## **The LGA Independent Commission- Review of Relationships**

### **Summary**

1. This paper is background for the presentation which will be given by Jeni Bremner at the meeting.

### **Introduction**

2. It has been 10 years since the LGA's inception. Creating the LGA was a remarkable achievement bringing together the three former associations and creating a strong voice for local government in Westminster and Whitehall.
3. The LGA has established a number of "central bodies" to deliver services nationally on behalf of local government as a whole. These bodies are incorporated companies limited by guarantee; are specified bodies for the receipt of Revenue Support Grant (RSG) and differ significantly in role and size. The LGA and its central bodies comprise the local government "family".

The existing central bodies are:

- Improvement and Development Agency (IDeA) seeks to lead local government improvement at both the sector wide and individual authority level, including through a series of programmes and services aimed at ensuring local authorities have the capacity to generate their own improvement
  - Local Government Employers (LGE) represents and supports local authorities on pay, pensions and employment issues. (The LGE was created on 1 April 2006 following the LGA initiated review of the former EO, which also involved the transfer of EO improvement functions to the IDeA.)
  - Public Private Partnerships Programme (4ps) provides support and guidance to local authorities on how to procure successfully significant procurement projects
  - Local Authorities Coordination of Regulatory Services (LACORS) provides advice and guidance to help support local authority regulatory and related services
  - Local Government International Bureau (LGIB) is the European and international arm of the LGA and the Northern Ireland LGA, and is also the voice of UK local government in Brussels. It is currently undergoing a quinquennial review.
4. The LGA works to represent all of local government. Within its constitution there are provisions for Special Interest Groups and the Metropolitan and County Councils have formed such groups: The Society of Metropolitan Authorities and the County Councils Network respectively. Other SIGs have been formed around spatial or policy themes.

5. The LGA also fulfils important statutory roles in engaging with government, the audit commission and other bodies in the discharge of their duties. It is also responsible for the negotiation and agreement of national terms and conditions of employment and pay.

### **The wider improvement infrastructure**

6. The development of the jointly managed LGA/government Capacity Building Fund has brought a welcome increase in resources allocated to improvement across local government. However, an additional consequence has been an increase in the complexity of the improvement infrastructure, which now includes Regional Centres of Excellence (efficiency), Regional Improvement Partnerships, the Leadership Centre, and the Academy for Sustainable Communities as well as a number of other improvement support activities funded by other government departments.
7. These bodies have also formed into a diverse range of regional groupings with varying degrees of association with the LGA's and IDeA's regional activities and structures. A recent review of the family's regional arrangements has been undertaken and provides further context for this review which needs to consider the complementary nature of national, regional, sub-regional and local bodies.

### **The future environment**

8. With a view to the next ten years, and with the publication of *Closer to People and Places*, and the challenges and opportunities that present themselves from the external environment, the LGA needs to reflect on where it needs to position itself, what it is seeking to achieve and for who, and the balance of activity between membership, lobbying and policy development to achieve its objectives.
9. The whole local government family, also needs to reflect on how it adds value and guarantees value for money to its member authorities and to public service improvement. The 'family' commands substantial resources and has developed considerable knowledge assets both of which need to be leveraged effectively to maximise their contribution to the family's strategic objectives.
10. The role and activities of the local government family need to reflect the future environment for local government. This is framed by a range of factors, including:
  - the diversity and distinctive challenges and aspirations of its member authorities
  - the Lyons review of the finance and role of local government
  - the impact of the Comprehensive Spending Review 2007 (CSR07)
  - the proposed Local Government White Paper
  - wider public services reform, including police and health services
  - broad public service challenges, including rising public expectations, demographic and economic changes, and the need for democratic renewal

**11. The key implications for local government arising from this environment include:**

- **place shaping, including:**
  - **local authorities' role in the strategic leadership of place and the convening of services**
  - **local authorities' partnership/collaborative capacity**
  - **driving area-wide improvement in a period of tight resources and a continuing focus on efficiency**
- **community leadership for the Council as a whole and the individual frontline councillor**
- **engagement, including:**
  - **engaging people in the co-production of more personalised public services**
  - **building individuals' and communities' capacity to hold public services to account**
- **emerging models of service delivery, including local authorities' commissioning capacity and ability to manage public service markets**

### **The Local Government Association**

**12. What are the implications for the LGA and how should the LGA be positioning itself to tackle these challenges?**

**13. The review should explore the LGA's need to:**

- **strengthen its capability to influence and change thinking in Whitehall, Westminster and partners and be an organisation which stakeholders and partners value working with.**
- **develop capability with member councils and partners to change the public's attitude to councils and their work and role.**
- **ensure it is engaging councillors, member authorities and their staff, effectively in its work using their experience to enhance its policy capability, improve its lobbying and offering councils a service that they want to receive**
- **promote the achievements of Councils and lead the sector to higher and more consistent levels of performance**
- **ensure it and local government's central bodies are providing value for money and maximising their contribution to the broader public service improvement agenda**

### **Terms of reference**

**14. The review is to consider:**

- **the working practices and current pattern of relationships and respective roles and positions between the LGA, member councils, central bodies and their stakeholder groups;**
- **reflect on the efficiency and effectiveness of these to deliver the sector's strategic objectives and**
- **make recommendations on the development of the LGA's role and strategic purpose and activities into the medium and longer term, to ensure it**

**provides the leadership, representation and services that Councils need to enable them to achieve their objectives.**

## **Review Principles & Process**

**15. The review will be:**

- **Independent, transparent and provide a framework in which difficult and complex issues can be aired and tackled;**
- **Qualitative not quantitative, and conducted in a way which draws in the views and opinions from across the country using methods such as structured interviews, focus groups, benchmarking activity, and one to one interviews**
- **Resourced effectively**
- **Conducted in a way which engages a wide range of members, member authorities, partners and others.**

**16. The review will be conducted by a commission of 6 members chaired by the President of the Association Lord Richard Best.**

**17. It will start its work in September and report at the end of the Calendar year.**

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