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**Priorities 2013/14**

**Purpose of report**

For discussion and direction.

**Summary**

The paper at **Appendix A**, which has been agreed by the LGA's Leadership Board, provides a high level steer on the LGA's priorities for 2013-14.

The LGA Boards are now being asked to develop proposals for next year to inform the more detailed business plan and budget which will be presented to Leadership Board in January and signed off the LGA Executive in March.

**Recommendation**

In view of the LGA's top priorities for next year:

- what should we be focusing on and trying to achieve for maximum impact on behalf of our members?
- What have we found out about what works and what doesn't work over the last year? What should we be doing more of? What should we be stopping or doing less of?

**Action**

Officers to feedback the conclusions of the Board's discussion to the Leadership Board to inform the final business plan.

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**Priorities 2013/14**

**Background**

1. The Board received a Performance Report covering the first six months of 2012/13 at its September meeting. Members were broadly content with progress to date, and the forward plan for the remainder of the year. This report suggests high level priorities for the Board's work for 2013/14.
2. As the paper at **Appendix A** explains, the Leadership Board have streamlined the LGA's six priorities to three, recognising that the priorities we agreed for the current year – **economic growth, funding for local government and public sector reform** - are still relevant as we move into the next financial year. The paper makes clear the links between these different themes to help us work in a cross-cutting way for maximum impact. It also describes the core services which support councils with **sector-led improvement** and which are at the heart of all our work.
3. Against this context, Board members are now being invited to give an initial steer about Safer Communities priorities for next year which will inform the more detailed business plan and budget which will be signed off by the LGA Executive in March.

**Safer and Stronger Communities Board Priorities**

4. We have taken this year's plan as a starting point for developing a coherent programme of activity for next year, and adopted a working assumption that resource allocations will remain broadly as this year, although there will be room for negotiation on this. Most of the ongoing work fits squarely within the priorities of public service reform and economic growth, jobs and prosperity, but inevitably Members will want to have a wider oversight on funding issues, as they relate to community safety services.

**Public Service Reform**

5. Our work with Police and Crime Commissioners (PCCs) will move into a more settled, and structured period as the joint Strategic Partnership Board with the Association of Police and Crime Commissioners starts to operate, with a first meeting planned for April. Getting the membership right, appointing an independent Chair, and publishing a business plan will be important priorities. With Members needing to develop new relationships, and a potential budget of £200k, there will be development work to ensure the Board makes an early and positive impact.
6. Ahead of the work directed by the Board, we are designing a dedicated programme of support and services to PCCs which build on our work to date, much of which will reinforce our core message about working closely with local government. One of the highly valued services the LGA offers is to provide confidential political support to locally

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elected politicians, usually where there is a change of control in a council or a new Leader. This will be available to PCCs in their first few weeks in office and will continue into next year.

7. As Police and Crime Panels start to operate on a regular basis, there will be issues where we need to support both Members and officers. Bringing them together both on the Knowledge Hub group and here at LG House regularly to unpack issues and share knowledge and highlighting emerging good practice will be important. Depending on the level of support required, we might develop a specific peer support programme to ensure Panels work effectively and efficiently in holding the PCC to account.
8. The election of PCCs and the role they will have in emergency planning provides an opportunity for the Board to review the effectiveness of local resilience forums, and the links between councils, fire and rescue services, the police and PCCs in 2013, with recommendations being taken forward on how emergency planning could be made even more effective.

**Economic growth, jobs and prosperity**

9. The Board's contribution to the LGA's growth campaign centres on our work on regulation. A separate paper for this meeting (Item 2) sets out a plan to develop a think piece which will be published early in 2013. Taking that forward and ensuring the regulation peer review offer takes account of any new approach will evolve as we start discussions with the sector.
10. Legislation will be brought forward in the anti-social behaviour Bill in the new year, and influencing the provisions will be important for our member authorities. There may also be other Bills which we wish to influence around community payback and probation services.
11. Sustaining the fall in recorded crime levels since the mid-1990s as the impact of grant reductions start to bite will be a challenge for councils and the police. Successfully addressing re-offending rates will be important. As members highlighted at the last meeting those offenders serving short sentences receive very little support but have high re-offending rates. There is a recognised set of effective practices that reduce re-offending in offenders subject to statutory supervision. Identifying who can provide this support to offenders on short sentences and how it can be funded will be key in taking forward work in this area.
12. Richard Ottaway's Scrap Metal Dealers Bill is due to complete its passage through parliament by the end of March. Assuming that the Bill receives Royal Assent we will be looking to support councils to ensure the smooth introduction of the new licensing regime over the course of 2013.

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**Funding for local government**

13. Having a clear understanding of community safety funding streams in a timely way is important for partnerships' planning purposes. As most community safety funding is being handed to PCCs, ensuring Community Safety Partnerships (CSPs) are well positioned to bid for the funding and plan for 2014 when there will be a single police grant will be a priority. Wider promotion of community budgets, and the pilots focusing on crime and disorder issues (particularly domestic abuse), may provide part of the answer.
14. Ensuring that Government delivers on fully flexible licence fee structures continues to be important so that local government does not end up with a funding shortfall.
15. There is a possibility that there will be a review of the police funding formula. If we are to build close links with PCCs, then we may wish to contribute to a review if it takes place.

**What has worked well/not so well and doing more/less**

16. Building good relationships with MPs and Peers, as well as Home Office Ministers, has provided opportunities to influence legislation. Although amendments are not, generally, accepted we have been able to register key issues and persuade Government to alter plans. Our experience of working closely with Richard Ottaway on the Scrap Metal Dealers Bill has been really constructive as an opportunity to shape the legislation before publication, which points to more 'behind the scenes' lobbying at as early a stage as possible.
17. Personal visits around the country by Lead Members to hear about work on the ground, visiting projects and talking to community safety portfolio holders to see at first hand some of the excellent and innovative work has been really well received and if time allows, more of these would ensure that our member authorities feel more connected to the work of the Board.
18. It is unclear whether Whitehall really takes account of views expressed in formal consultation exercises when sometimes there is a pre-determined view. Much time and energy goes into these and we might be better placed to focus our efforts into shaping the policies at an earlier stage, rather than hoping to influence work at this relatively late stage.
19. Over the past year we have organised a strong programme of events. The feedback has been overwhelmingly positive, and these have supported our lobbying priorities as well as providing a healthy income stream. The profile of the LGA's work on Safer Communities remains high, particularly through a variety of features and news articles in our First magazine.

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20. Our peer support offer has been updated and with new marketing materials offering desktop reviews, support to CSPs in the new policing landscape, and peer challenge sessions, we can expect the take up to increase over the next year.
21. Although we focus our work on core business plan priorities, we have aimed to adopt a flexible approach in order to respond effectively to issues which arise throughout the year. A short, focused piece of work on a small issue has often paid dividends and these have been received positively by our member authorities.
22. Members have signalled enthusiasm for closer working between the Fire Services Management Committee and the Safer and Stronger Communities Board. Cross-Board working, with Members from different Boards working on specific projects, ensures that work is anchored in the widest context. Embedding this approach more widely across the LGA priorities to maximise our impact will ensure we harness all our resources in support of the agreed priorities.

## **2013/14 Business Plan - initial proposition**

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

**We are the national voice of local government, supporting councils through these extremely challenging times by representing them and advocating on their behalf, and also supporting them with sector-led improvement.**

**Our top priorities for local government are:**

- ***Economic growth, jobs and prosperity*** – councils are recognised as central to economic growth
- ***Funding for local government*** – reform of the public sector finance system so councils raise more funds locally, have confidence their financing is sustainable and fair, and greater ability to co-ordinate local public services
- ***Public service reform*** – councils are at the centre, and seen to be at the centre, of public service reform and delivering more effective services for local people

At the heart of all this work, are our core services to councils which are driven by our belief in ***sector-led improvement***. Councils – not government – should be responsible for leading the delivery of improved outcomes in their local area as an alternative to top-down performance management and inspection.

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**We are working with councils to achieve 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 economic 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 councils forward to ensure they achieve this role.

**EFFICIENT** - local government remains the most efficient part of the public sector. Councils are not afraid to cut costs and be innovative about ways of improving services, as well as being prepared to consider radical solutions where this helps delivery on the ground. To achieve this, councillors are having to make difficult and at times unpopular decisions, while delivering value for money.

**ACCOUNTABLE** - local government really can make a tangible, lasting difference to people. Key to this is localism which 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, actively involving people in the design and delivery of their local services.

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**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, handling issues that are important to people's everyday lives. Councillors are an important resource for the local communities they represent. Councils provide the glue for local communities, ensuring social cohesion and supporting the most vulnerable people in society.

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**Our top priorities** are as important now as they were a year ago when we first signed up to them. We will ensure all our work, including that of each of the LGA's policy boards, focuses on them and that as a result of our collective efforts, councils have the right system of funding and the right powers to get the UK economy back into economic growth and to support local services

***Economic growth, jobs and prosperity*** – councils have a key role to play in driving economic growth and promoting consumer and business confidence. Over the last year we have been focusing on this agenda, through our local growth campaign, including our work on housing and planning, and infrastructure funding. We have demonstrated that councils have a key role to play in targeting investment and economic development activity to boost local economies and create jobs. It is also clear that councils are ambitious to do more but lack the economic levers and control over funding necessary to lead growth locally. Our work so far has involved lobbying for devolution of powers and funding streams on issues such as skills, transport, investment in housing and broadband. We are working with councils on green growth and the visitor economy. We have also been pressing for the powers devolved through city deals to be rolled out to a greater number of places. We are about to enter a phase of lobbying to fight proposed reforms that threaten to undermine local decision making on planning. Moving forward, there is a need to develop a strong and convincing case for local economic leadership, to influence spending decisions and manifestos in the lead up to the general election. With that in mind, we have commissioned research designed to set out new options for the future as to how councils can support economic growth, new jobs and wealth creation.

***Funding for local government*** - councils were cut earlier and harder than the rest of the public sector as the government began to implement its deficit reduction policy and this is already having a profound impact on people's lives. Last year we developed a model for the next decade which shows all future sources of council revenue against future service spending demand. Our model shows a likely funding gap of £16.5 million a year by 2019/20 or a 29 per cent shortfall between revenue and spending pressures. Assuming that social care and waste are fully funded, other services face cash cuts of over 66 per cent. If capital financing and concessionary fares are also funded in full, the cash cut for remaining services rises to over 90 per cent. Local government has a track record of being the most efficient part of the public sector. But our model shows that efficiency is not going to be enough. Future sustainability starts with reform of adult social care funding. The financial future of local government is driven by care spending which will continue to grow strongly while councils' revenues will fall and then stagnate. The situation is even more challenging for councils with ageing populations. In this context it is important that councils are allowed to have a proper dialogue with residents about how much tax they want to pay and what services they want to receive in return. There is also the need for an effective conversation with local people about simply cutting out services that can no longer be afforded. These are therefore the issues we

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will be working on with councils over the coming year. Above all else, residents and local businesses need councils to have a fair and simple funding system that gives greater financial autonomy, supports local services and encourages economic growth.

**Public service reform** – the scale of the public spending cuts mean that a fundamental and ambitious rethink is needed to the way local services are funded and organised. The costliest and most intractable public service issues are almost without exception shared among a number of local agencies. Many councils are already working with other public sector organisations on this and the Whole-Place Community Budget pilots in particular will provide the evidence for radical change. From these experiences we are developing a picture of the council of the future and local public services more generally. We are focusing on new solutions such as demand management and behaviour change, with services increasingly designed round the needs of individuals. We will also provide support with generating new income streams and new approaches to commissioning, building on the work we have been doing with councils in the main areas of spend - children, adults and families - and also procurement and capital and assets. We are lobbying to ensure that other reforms such as the transfer of public health to local government, and changes to the planning system, make the most of councils' local leadership role across all public services in the interests of citizens. In the area of workforce reform we will negotiate to deliver national agreements that are seen as fit for purpose by councils along with a reformed pension scheme, without further serious industrial disruption or significant opt out rates. Alongside this, we will continue to work with councils to develop practical advice on the workforce challenges they face.

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We will continue to deliver these priorities through the core services that we provide to councils.

We have come a long way since we published "Taking the Lead" in 2011. The government welcomed our proposals and there is now a real momentum around **sector-led improvement**. Councils are using the support we have offered and new approaches to improvement are being delivered in children's services and adult social care. Through this work councils are demonstrating collective responsibility for the performance of local government as a whole by sharing best practice and providing peer support.

This includes

- at no cost, a corporate **peer challenge** to every council, including a core component looking at issues of leadership, corporate capacity and financial resilience
- **leadership programmes** which have already provided opportunities for hundreds of politicians, equipping them to deal with the challenges being faced by their councils
- support to help councils with capturing and **sharing innovative practice** through our Knowledge Hub, a free web-based service providing a single window to improvement in local government
- access to transparent and **comparable performance information** through LG Inform

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- **sector-led improvement programmes in children's and adults services**  
developed and delivered through the Children's Improvement Board and the Towards  
Excellence in Adult Social Care Board