

Note of last LGA Leadership Board meeting

Title: LGA Leadership Board
Date: Wednesday 18 January 2017
Venue: Rooms A&B, Ground Floor, Layden House, 76-86 Turnmill Street,
London, EC1M 5LG

Attendance

An attendance list is attached as **Appendix A** to this note.

Item	Decisions and actions
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1 Congratulations

On behalf of the Board, the Chairman congratulated Cllr David Hodge CBE & Cllr Peter Reeve MBE who had been recognised for their local government service in the New Year's Honours list.

2 Declarations of Interest and Apologies

The apologies were noted as listed at **Appendix A**.

The Chairman, Mayor Sir Steve Bullock and Cllr Vernon-Jackson CBE declared an interest in item 12 as members of the local government pension scheme.

3 Provisional Local Government Finance Settlement 2017/18

Sarah Pickup (Deputy Chief Executive) introduced the report which summarised the LGA's activity on the provisional 2017/18 Local Government Finance Settlement and set out the LGA's response.

There followed a number of detailed discussions, including:

New Homes Bonus

- Serious concerns were expressed regarding the very significant impact of the New Homes Bonus (NHB) reforms - particularly on district councils – as well as the LGA's prioritisation of the issue. Several members expressed the view that it should have featured more prominently in the LGA's activity prior to the Settlement.
- The Board agreed that the LGA's response to the Settlement be strengthened to call on Government to ensure that NHB funding globally remain at the same level as originally published and to make the case for new money to fund adult social care. The amended response would be cleared by Group Leaders prior to it being resubmitted to Government.

Adult Social Care

- Members emphasised the importance of continuing to press Government on its unsatisfactory response to adult social care funding and to ensuring that the health system works as a whole, with funding targeted to deliver best outcomes. Suggestions included focusing on issues that resonate with the public, whilst also ensuring that LGA lobbying on adult social care funding does not overshadow the significance of the broad range of issues and challenges facing local government.
- With reference to the sector being granted greater flexibility on the social care precept, clarification was asked as to what level of take up across the sector there had been.

Cumulative impact of funding reductions

- Members highlighted the importance of making the case for more funding in the overall system, and in doing so, of articulating the cumulative impact of the funding reductions and financial pressures that councils have had to deal with to date.

Decisions

The LGA Leadership Board:

- i. noted the contents of the report;
- ii. agreed that their comments inform future LGA activity; and
- iii. agreed that the New Homes Bonus section of the LGA's response to the Provisional Local Government Finance Settlement be strengthened in line with the Board's comments and the amended response resubmitted to Government.

Action

The LGA's response to the Provisional Local Government Finance Settlement be amended in line with the Board's comments and circulated to Political Group Leaders for clearance. **Sarah Pickup**

4 Combined authorities and elected mayors in England

Ian Hughes (Head of Policy) introduced the report which outlined the LGA's offer to combined authorities and elected mayors in the run up to elections in May 2017 and sought Members' views on next steps.

There followed a number of detailed discussions, including:

Approach

- There was unanimous support for the continued work to support the future membership of Combined Authority directly elected Mayors and the importance of making them an integral part of the local government family. In doing so, Members emphasised the importance that this is balanced with the needs of existing members.
- The Board welcomed the report, endorsed the approach outlined (including no charge to proportionality rules in 2017-18 and early engagement with candidates) and suggested a number of areas for further consideration. These included: the provision of practical support post-election; the value of a Forum and the space for Mayors to shape their own support services; and LGA support to broker conversations between Mayors and Government Departments beyond

DCLG.

Governance

- In discussing the implications of combined authority Mayors joining LGA membership, the Board noted the work of the Constitution Task and Finish Group looking at the LGA's political balance methodology from 2018, as well as the need to review how to ensure Mayors have adequate influence through, for example, the City Regions Board.

Pensions

- Several members emphasised the value of locally elected politicians being eligible to be part of the Local Government Pension Scheme, particularly relating to those not of retirement age, and the importance of continuing to make this argument to Government.

Decisions

The LGA Leadership Board:

- i. noted the update and progress on recommendations from the Combined Authorities Working Group; and
- ii. agreed that Board's comments inform development of further support for Combined Authorities.

5 Scheme of Delegation

Paul Brack (Strategic Finance Manager) introduced the LGA's updated Scheme of Delegation for the LGA and IDeA. Leadership Board's views were sought prior to its recommendation for approval to the relevant company boards.

In the following discussion, Members' comments included:

- The £250,000 threshold for Leadership Board or relevant company Board to approve alterations to the budget was queried. It was suggested that this be reviewed and a further report submitted for the Board's decision.
- For clarification, it was agreed that '*a full meeting of*' be included in paragraph 2.1 so that it reads: "Officers are authorised to commit expenditure on new work not contained within the current business plan as long as the above criteria are met and the work has been agreed by *a full meeting of* the Strategic Management Team."

Decision

The LGA Leadership Board **agreed** the proposed scheme of delegation for the LGA and its associated companies subject to:

- i. the amendment to paragraph 2.1 so that it refer to '*a full meeting of the Strategic Management Team*'; and
- ii. that the £250,000 threshold for the Leadership Board or relevant company Board to approve alterations to the budget be reviewed and submitted to Leadership Board for decision.

Action

Review the £250,000 threshold for Leadership Board's consideration at a future meeting. **Paul Brack**

6 Amendments to Improvement and Development Agency for Local Government Ltd Articles of Association

Dennis Skinner (IDeA Company Secretary) moved the report which recommended a series of amendments to the IDeA Company's' Articles of Association.

In the discussion, the following additional amendments were agreed:

- That Article 34 read: "*In addition*, the Secretary of State for the Department for Communities and Local Government may be invited by the LGA to appoint and remove from time to time one member of the Board.
- That Article 39 read: "The quorum necessary for the transaction of the business of the Board shall be three, of whom at least two shall be from differing political groups. *If the meeting is not quorate, the business cannot be transacted and should be deferred to a subsequent meeting.*"

Decision

The LGA Leadership Board agreed the amended Articles of Association for the Improvement and Development Agency for Local Government Ltd (IDeA) subject to inclusion of the additional amendments to paragraphs 34 & 39 as set out above.

7 Chief Executive's report

Mark Lloyd (Chief Executive) moved the report which set out the LGA's main achievements against the business plan priorities since the last meeting. In doing so, he sought Members' support in engaging with those authorities still on notice.

Ian Hughes then provided a high level overview of the key issues for local government following the Prime Minister's speech the previous day on the Government's Brexit strategy.

In the following discussion, comments included:

- Members asked a number of questions, particularly relating to Brexit, including: guidance for councils on forthcoming procurement activity; local government's seat at the negotiating table; devolution and issues of commonality with the devolved nations. There was strong support for continuing to make a strong case to Government on the importance of real local government influence in negotiating a post Brexit settlement.
- The LGA's position regarding the Bus's Bill was noted.
- That in future Priority 2 of the report include an update on the Fair Funding Review.

Decision

The LGA Leadership Board **noted** the Chief Executive's report for January 2017.

Action

Updates on the Fair Funding Review to be included in the Chief Executive's report in future. **Nicola Morton**

8 LGA Forward Plan

The Forward Plan was moved by the Chairman without further comment.

The following items were identified for inclusion in future agendas:

- The Secretary of State for the Department for Exiting the EU (DExEU) be invited to attend a future LGA meeting.
- The Minister of State for Housing and Planning and Minister for London be invited to attend a future LGA meeting to discuss the Housing White paper.

Decision

The LGA Leadership Board **agreed** the forward plan with the inclusion of the above items.

9 Note of the last Audit Committee held on 26 November 2016

Decision

The Leadership Board **noted** the minutes of the previous Audit Committee meeting held on 26 November 2016.

10 Confidential

The following items were considered in the confidential section of the meeting.

11 Note of the last Commercial Advisory Board held on 28 November 2016

Decision

The LGA Leadership Board **noted** the minutes of the previous meeting of the Commercial Advisory Board held on 28 November 2016.

12 Note of the last meeting held on 8 December 2016

Decision

The Leadership Board **agreed** the minutes of the previous meeting held on 8 December 2016.

13 Spring Budget 2017: LGA Submission

Sarah Pickup introduced the report which sought Members' views on the LGA's submission to the Treasury in advance of the Spring Budget.

There followed a detailed confidential discussion.

Decisions

The LGA Leadership Board agreed:

- i. that their comments inform the LGA's submission to Government in advance of the Spring Budget submission; and

- ii. that Political Group Leaders clear the final version of the submission.

14 LGA Financial Strategy: 2017/18 to 2019/20

Paul Brack introduced the report which presented the key elements of the LGA's Financial Strategy.

There followed a confidential discussion.

Decision

That the LGA Leadership Board agree the recommendations as set out in the report.

15 Local Government House Procurement

Claire Holloway (Head of Corporate Services) introduced the report which updated on the Local Government House refurbishment project.

There followed a confidential discussion.

Decision

The LGA Leadership Board agreed the recommendations as set out in the report.

Appendix A -Attendance

Position/Role	Councillor	Authority
Chairman	Lord Gary Porter	South Holland District Council
Senior Vice-Chair	Cllr Nick Forbes	Newcastle upon Tyne City Council
Vice-Chairmen	Cllr Gerald Vernon-Jackson CBE	Portsmouth City Council
	Cllr Marianne Overton MBE	Lincolnshire County Council
Deputy-chairmen	Cllr David Hodge CBE	Surrey County Council
	Cllr Sharon Taylor OBE	Stevenage Borough Council
	Mayor Sir Steve Bullock	Lewisham London Borough Council
	Cllr Anne Western CBE	Derbyshire County Council
	Cllr Sue Murphy CBE	Manchester City Council
	Cllr Peter Reeve MBE	Cambridgeshire County Council
	Mayor Dorothy Thornhill MBE	Watford Borough Council
	Cllr David Simmonds CBE	Hillingdon London Borough Council
	Baroness Couttie of Downe	Westminster City Council
	Cllr Peter Fleming OBE	Sevenoaks District Council
Apologies	Cllr Sean Anstee	Trafford Metropolitan Borough Council
	Cllr Peter Box CBE	Wakefield Metropolitan District Council