

UK Forum

Purpose of report

For discussion and decision.

Summary

This report sets out the headline issues from the recent meeting of the UK Forum, the annual meeting of the political leadership of the four UK local government associations.

It also considers how we develop our relationship with Welsh councils where major local government reorganisation is pending.

Recommendation

That the Leadership Board

- note the headline messages from the UK Forum; and
- consider the recommendations regarding the corporate membership of the WLGA and future services to NILGA.

Action

As directed by Members.

Contact officer:

Ian Hughes

Position:

Head of Programmes, Economic Growth and International

Phone no:

020 7664 3101

E-mail:

ian.hughes@local.gov.uk

UK Forum

Background

1. The UK Forum was held in Edinburgh on 10/11 February. This is the annual meeting of the political leadership of the four UK local government associations (England, Northern Ireland, Wales and Scotland). Importantly, the Forum was held in Scotland this year and members were able to examine how the issue of local democracy was being addressed by COSLA within the context of the Scottish referendum campaign.
2. LGA was represented at the meeting by the Chairman, Cllr David Sparks OBE and Cllr Marianne Overton MBE.
3. This report sets out the key issues being addressed by the other three associations, wider local government issues and how we might develop the work of the UK Forum and with other UK associations in future.

Summary of the key issue in other Associations

Wales

4. Our relationship with Wales is different from the other two nations as the WLGA has a corporate membership of the LGA. Welsh Government top-slice also provides support to Welsh councils from the LGA's Workforce team.
5. The 2014-15 Welsh financial settlement has resulted in the first year of "English style" cuts for Welsh councils. BBC Wales is covering the budget setting in each council and council leaders have to make similar choices to their English peers for the first time. A seminar on financial sustainability for Welsh leaders and Finance Directors was organised recently with the support of LGA.
6. One of the big messages from this seminar was the need for long-term stability to ensure that financial reductions are managed well. However, there is likely to be a period of instability in Wales as a result of local government reorganisation. The Welsh Government's Commission on Public Service Governance and Delivery (Williams Commission) reported in January 2014. The most significant recommendation is the reduction in the number of councils from 22 to 10, 11 or 12. The estimated saving from the restructuring by the Commission is £80m pa, with an upfront cost of about £100m. WLGA has challenged the later figures, indicating a more realistic figure would be £200m or higher. WLGA are also exploring the appetite for an alternative to the Williams Commission's recommendations.
7. A chart setting out current Welsh council responsibilities is **attached**.

Northern Ireland

8. Northern Ireland local government is already in the midst of a major reorganisation, with the reduction in the number of councils from 22 to 11. Elections to the new councils will be in May 2014 when shadow councils are formed. The existing 22 authorities will come to an end in May 2015. Some new powers will be devolved from the Northern Ireland Assembly to local government (principally planning powers). However, councils in Northern Ireland will continue to have fewer powers and resources than their peers on the mainland, with education and libraries, for example, being a function of the NI Assembly. Currently, local government spends 6% of the NI public budget. NILGA is working on a programme to demonstrate what councils should look like in 2015 and the lack of devolution from the Assembly is being challenged. NILGA has identified that from 2015 there will be 11 councils, but 12 government departments in Belfast.

Scotland

9. COSLA (the Convention of Scottish Local Authorities) has launched an independent Commission on Local Democracy. One of COSLA's key arguments during the current referendum campaign is that the bigger issue is the reform of public services at the local level. For example, Glasgow still has the greatest disparity in life expectancy rates (some 20 years) in the UK, despite devolution. The ethos of COSLA's work is summed up in its President's statement to the Commission:

"Scotland's constitutional future is important, but for people in Scotland the real difference will not be felt in the internal workings of Holyrood or Westminster. The debate must therefore be about improving lives in local communities, not simply repositioning governments nationally".

10. COSLA is examining a number of areas where public service reform is required. There is a particular emphasis on health and social care integration. A number of new approaches are being pioneered. For example, Orkney, Shetland and the Western Isles councils are developing a model for single public bodies to lead adult care and children's services.
11. During the UK Forum, the LGA Chairman and attending Group Leaders gave evidence to the Local Democracy Commission, presenting the LGA Rewired Campaign and its big ideas for local public services in England.
12. Internally, COSLA is facing a concerning period with a number of its 32 members threatening to give notice and to set up a separate organisation. Members may be aware that Glasgow is already developing its own City Deal directly with Whitehall.

Wider Local Government Issues

13. Holding the Forum in Edinburgh gave the opportunity to air our Rewired agenda with colleagues in other associations.
14. We have already associated our Rewired agenda with recent developments in Wales. We have congratulated Wales on the forthcoming referendum on local tax raising

powers, contrasting this with the lack of power in English sub-regions. The Barnett debate also favours Wales, as a needs based funding formula would provide more resources for England and Wales.

15. After the UK Forum, the Chairman met John Swinney (SNP), the Scottish Government's Finance Minister. They discussed our Rewired agenda and the Chairman set out LGA views on the Barnett Formula. Given the inevitable review of Barnett after the referendum campaign, the Chairman offered to discuss how an alternative system could be more transparent and fairer within the UK.

Taking the issues forward

16. The UK Forum offers a good opportunity to ensure that we maintain a wider knowledge of local government issues across the UK. Joint work with COSLA and WLGA on a number of non-devolved issues (such as welfare reform) is also embedded into how we work. However, from the discussion at the UK Forum, members may want to consider how other areas of work may be enhanced by collaboration with the other associations. For example, there is common ground with COSLA on public service reform.
17. There are three areas where it would be useful to focus:
 - 17.1 National collaboration on the future of localism: There was an appetite across all the associations to consider the merits of collaborative work and joint public statements in the run up to the general election in 2015. Such work is unlikely to be achievable before September 2014 (due to events in Scotland). With common concern about the reform of public services and the entrenchment of local democracy, this agenda could be developed in the autumn. It is suggested that the LGA volunteers to host the next Forum in London with a focus on where joint work could strengthen our influence in the run up to May 2015.
 - 17.2 Wales: Welsh authorities are members of the LGA and require a distinct service. The WLGA has highlighted its two areas of focus in 2014-15. Whilst the LGA is already supporting Welsh councils on resources, we need to address where Welsh councils can be supported as a result of the impact of local government restructuring. One challenge set out by the Welsh First Minister is that larger councils could be given more powers. This is an area where English councils work on public health, shared services and combined authorities could help. It is suggested that we develop a support package in discussion with the WLGA. The Chairman and Chief Executive will be meeting their counterparts in Cardiff to ensure that the corporate membership is supported in 2014-15.
 - 17.3 Northern Ireland: NILGA and Northern Ireland Councils are reconfiguring their lobbying and improvement roles as a result of reorganisation. Support for these functions has been secured from the LGA in the past. At present, NILGA commissions support from the LGA's workforce and Brussels teams. In future, NILGA and its members could have an interest in a corporate membership of the LGA on a similar basis to Wales, through which the support provided may assist them in making a stronger case for local Government to the NI Assembly. The relationship across parties in NI is quite distinct and it is suggested that preliminary discussions are initiated with the NILGA Chief Executive in the first instance to explore the opportunity and likely appetite for such an arrangement.