

15 June 2017

## Chief Executive's Report – July 2017

### Purpose

For discussion and direction.

### Summary

The LGA business plan for 2017/18 centres on seven external priorities:

- *Britain's exit from the EU*
- *Funding for local government*
- *Inclusive growth, jobs and housing*
- *Children, education and schools*
- *Promoting health and wellbeing*
- *Devolution*
- *Sector-led improvement*

Part 1 of the six-weekly Chief Executive's report sets out the LGA's main achievements against those priorities. Part two focusses on our internal priority – *a single voice for local government* - including membership and our media outreach activities.

### Recommendation

That the LGA Leadership Board notes the Chief Executive's report for July 2017.

### Action

As directed by members.

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## **Chief Executive's Report – July 2017**

### **Achievements against our seven external priorities**

#### **Priority 1 – Exit from the EU**

- 1.1. **Place-based impacts of Brexit:** in collaboration with DCLG the LGA has organised several regional seminars to debate the opportunities and risks that Brexit poses to local areas. The first four sessions took place in Newcastle, Cornwall, London, and the EELGA in Chelmsford.
- 1.2. **The legislative priorities for local government:** the LGA has identified ten legislative priorities for local government in the Great Repeal Bill: procurement, state aid, environment protection; waste; planning; consumer protection; employment; data; transport and finance. We are undertaking work in each of these areas to help inform the debate.
- 1.3. **What next for EU funding:** the LGA recently brought together a group of local government representatives to inform DCLG's work on the future of regional development funding policy. We also hosted a discussion forum on the 10 July focussing on Interreg and the UK's Prosperity Fund.

#### **Priority 2 – Funding for Local Government**

- 2.1. **Further Business Rates Retention:** the Queen's Speech confirmed that the Local Government Finance Bill would not be re-introduced in Parliament's forthcoming legislative session. We will be working with DCLG officials to explore ways in which the reforms can be progressed without immediate primary legislation.
- 2.2. **Fair Funding Review:** we understand that ministers are still committed to addressing concerns about the fairness of current funding distributions and have reaffirmed their commitment to a thorough, evidence-based review. The review does not require legislation and we will continue to work with DCLG and local authorities.
- 2.3. **Markets in Financial Instruments Directive (MiFID) II:** the FCA has published the final rules for the implementation of MiFID II. We welcomed the improvements to the rules, which have been drawn up in response to concerns highlighted by the LGA and councils, and now recognise the unique decision-making processes in local authority treasury and pension fund investment management activities. If Local Authorities wish to opt up to professional status (as an investor) under the new rules, they will have to do so by January 2018.
- 2.4. **General Election 2017:** following the election, we reviewed our analysis of the financial gap facing local government by 2019/20 and reiterated our position in media releases and briefings that the Government must take urgent action to address this gap.
- 2.5. **Business Rates Reliefs:** the Government has now confirmed arrangements for all three of the schemes to support businesses facing bill increases as a result of the 2017 revaluation. Marcus Jones MP has written to all council leaders setting out his expectation that councils implement schemes rapidly.
- 2.6. **MasterCard-Visa Claims:** 101 member authorities have now joined the MasterCard-Visa Claims Funded Litigation Group for unlawful interchange rates. The collective claim of LGA members is approximately £20 million. Detailed analysis of the potential claims by forensic accountants will now be conducted in order to establish final amounts.

### **Priority 3 – Inclusive Growth, Jobs and Housing**

- 3.1. **Local Growth Academy:** the LGA has supported the delivery of the first stage of the Local Growth Academy (a collaborative leadership programme for higher education, local government and the health sector) for regional groups across the country and are now planning for the second phase for November
- 3.2. **Transport Investment Strategy:** the Government announced a new Transport Investment Strategy, recognising LGA's concern about an imbalance in funding between local and national roads. This includes consulting on a new 'major road network' which would see a share of the annual National Road Fund devolved to councils A-road improvement.
- 3.3. **Temporary accommodation project:** the LGA launched a final report focusing on council innovation in meeting the demand for increased temporary accommodation at LGA Conference. It includes detailed examples and further information on supporting councils wanting to try innovations in their areas.
- 3.4. **Housing Advisers Programme:** the LGA hopes to launch a programme funding the expert advice for councils seeking to meet local housing need. The programme will capture learning to share with the sector through various LGA improvement channels.
- 3.5. **Armed forces:** the Chairman spoke at an LGA event on 26 May working with the MOD on rebasing of armed forces personnel and the release of MOD land as part of OPE. Baroness Scott also praised the LGA publication "[our community, our covenant](#)".

### **Priority 4 – Children, education and schools**

- 4.1. **LGPS information note for academies:** the LGA has published, with DfE and DCLG, [an information note](#) for academy employers on participating in the LGPS, covering in particular the funding arrangements of the scheme.
- 4.2. **National FGM Centre:** Barnardo's and the LGA have been awarded £1.7 million in government funding to continue the work of Centre, which carries out specialist prevention and intervention work and shares expert knowledge with the aim of ending this horrific form of abuse in the UK.
- 4.3. **Supporting Improvement in Children's Services:** we are in on-going dialogue with the DfE on the development of a council-led support offer that seeks to drive sustainable improvement in children's services focussing on preventative support and utilising council's existing experience and expertise.
- 4.4. **Joint LGA/ADASS/SOLACE/Ofsted Meeting:** Cllr Richard Watts met with Amanda Spielman, the new Ofsted HMCI, on the 11<sup>th</sup> July, along with colleagues from ADCS and Solace. Topics included the role of the inspectorate in driving children's services improvement, new social care inspection arrangements and joint work to tackle unregistered schools.

### **Priority 5 – Promoting Health and Wellbeing**

- 5.1. **Better Care Fund:** the LGA has withdrawn its support for the BCF Planning Requirements published on 3 July due to unacceptable revisions placing greater emphasis on delayed transfers of care, tougher targets on meeting reductions and funding withdrawals for 'poorly performing' areas. We will continue to participate in the planning and assurance process and in graduation planning to ensure that the best interests of councils and local people continue to be met. See our BCF site [here](#).
- 5.2. **Mental health:** the LGA launched its report on mental health at annual conference: "Being mindful of mental health – the role of local government in mental health and wellbeing."

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- 5.3. **10 years of smokefree public places:** the recent 10th anniversary of the ban on smoking in public places shows what can happen when councils collectively take on a significant issue and what councils can do with their public health powers. If you are interested in reading more about the ten year journey check out our publication [‘A breath of fresh air: smokefree workplaces 10 years on’](#).
- 5.4. **Armed forces:** this month we launched [Meeting the public health needs of the armed forces population](#), which has been developed for local authorities, local Defence Medical Services and those supporting the health needs of the armed forces to help strengthen local relationships to meet the public health needs of armed forces populations.
- 5.5. **Air Quality:** we responded to the Government's Draft Clean Plan consultation. We made it clear air quality is a national responsibility. This needs to mean that local authorities are resourced to deliver and DEFRA are adequately resourced to properly liaise with all affected areas.
- 5.6. **Mandated Clean air zones:** we are lobbying the Government to provide urgent clarification on what authorities may be required to implement by the recent clean air plan, as well as how they will reach the Government's target of 100% ULEV by 2050.
- 5.7. **STP survey:** we undertook a survey of senior councillors' perceptions of sustainability and transformation partnerships and received 81 responses. The summary of key findings was launched.
- 5.8. **NHS Confederation conference:** Cllr Linda Thomas and Cllr Richard Kemp represented the LGA at the annual NHS Confederation conference in Liverpool from 14 to 15 June. Cllr Thomas took part in a panel discussion on health devolution and Cllr Kemp chaired a policy discussion on integrated technology and information governance.
- 5.9. **Leadership Essentials Sport programme:** in partnership with Sport England, we delivered the 18th session to eleven portfolio holders with responsibility for sport and physical activity.
- 5.10. **Leadership Essentials Sport impact report:** we carried out an evaluation of the impact of attending the Leadership Essentials Sport programme on portfolio holders since 2011. This included four detailed case studies with portfolio holders, and was published at Annual Conference. A new round of sessions is being agreed with Sport England for 2017/18.

#### **Priority 6 – Devolution**

- 6.1. **Bus Services Act:** the Bus Services Bill received Royal Assent on the 27<sup>th</sup> April 2017. As part of our work on the act we hosted a buses conference for officers and members in February exploring how councils could help increase bus patronage as well as a discussion of the new powers available. The LGA will publish ‘Get in on the Act – The Bus Services Act’ later this spring.
- 6.2. **Support to Combined Authorities:** we continued to support combined authorities including updating the DevoHub and an initial meeting with LCR CA. Work also commenced to establish CA themed groups for; finance, planning, transport and employment and skills as requested by CA CEX network.
- 6.3. **Support to elected mayors:** the LGA hosted the inaugural CA Mayoral Forum on 14<sup>th</sup>/15<sup>th</sup> June attended by CA mayors, the deputy mayor of WMCA and chief executives, as well as senior civil servants and international representatives. The next meeting will be held in the Autumn and will be hosted in Birmingham by Mayor Andy Street/WMCA.

## **Priority 7 – Sector-led Improvement**

- 7.1. **Public Sector Audit Appointment (PSAA) national scheme for auditor appointments:** the repurchase of former Audit Commission contracts is now complete with councils opting into the scheme set collectively to save up to £6 million a year in audit services. Total fees for authorities in the scheme stand at around £45 million lower than in 2011, with average annual savings ranging from £8500 for a district council to £30,000 for a London Borough. PSAA was set up by the LGA to ensure the delivery of a cost effective, quality audit service for authorities.
- 7.2. **[Shared Service Map](#):** has been updated and re-launched with figures for 2017, showcasing and providing information on cross-authority collaborations. Figures from the latest survey identified £643m of efficiency savings from 486 partnerships.
- 7.3. **Leadership Academy 2017-18:** we have launched the [programme dates](#) of our flagship development programme for councillors in leadership positions.
- 7.4. **'Leading the way' film - our political leadership development offer:** we have been promoting our new [film](#), which shows how our political leadership development programmes and resources help individual councillors gain skills to become more confident and effective.
- 7.5. **Refreshing our peer pool:** we have developed this [new film](#) to help potential peers find out how they and their council can also benefit by volunteering their time.
- 7.6. **Construction procurement category strategy:** the LGA has published a [revision](#) of the 2015 construction category strategy, which updates the strategic context, summarises the developments from the 2015 version and goes on to refresh the strategy and action plan for 2017 onwards.
- 7.7. **Digital Experts Programme final evaluation:** we have published this [evaluation](#), which shows how the 27 projects that received LGA funding through this programme used digital tools and approaches, already successfully applied by their peers, to improve services, complementing other work, for instance, on shared services, commercialisation or demand management.
- 7.8. **Dynamic Purchasing Systems (DPS) guidance:** the LGA has published [guidance](#) that sets out practical advice on what to consider when deciding whether to use a DPS and what to consider when implementing and running such a system.
- 7.9. **New e-learning modules for councillors:** we have launched [new modules](#) on anti-bribery and corruption, and supporting constituents with complex problems to help councillors to become more confident and resilient in dealing with such issues.
- 7.10. **Councillors' Guide 2017/2018:** we have updated and re-launched this online [quick reference guide](#) to provide new councillors with essential information they need to know as they begin their roles.
- 7.11. **Leading Places Programme and support:** this [programme](#) supports councils, universities and other local institutions to work together to help drive growth, re-design public services and strengthen civic participation. It provides independent expert facilitation, peer challenge and action research. We have launched the programme's second phase, which will be delivered with the Higher Education Funding Council for England and Universities UK.
- 7.12. **LG Inform themed reports:** this new LG Inform [page](#) outlines all themed reports written by our research team. New reports will be added automatically. For some reports, users will need to log into the site.
- 7.13. **LGPS administrator website:** the national scheme administrator website for the LGPS, [www.lgpsregs.org](http://www.lgpsregs.org), has been relaunched to provide a new home for legislation, LGA technical guides and LGA bulletins relating to the scheme.

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## **Internal Priority – A single voice for local government**

### **LGA Membership**

8. Hart District Council has taken the decision to rescind its notice bringing the total number of councils on notice down to nine.
  - 8.1. West Sussex County Council
  - 8.2. East Staffordshire Borough Council
  - 8.3. London Borough of Richmond
  - 8.4. Hartlepool Borough Council
  - 8.5. Surrey County Council
  - 8.6. Leicestershire County Council
  - 8.7. Essex County Council
  - 8.8. Lincolnshire County Council
  - 8.9. Southend Borough Council
  
9. A further four councils remain out of membership – the London Boroughs of Bromley, Wandsworth and Barnet and Gosport Borough Council.
  
10. The Urban Transport Group has ceased to be a special interest group of the LGA.
  
11. The 2017 Local Government Challenge featured challenges hosted by Swale, Breckland, Harrow and Gloucester City Councils and the West Midlands Combined Authority. The winner was Denise Blair of Croydon Council, who was awarded the £10,000 Bruce Lockhart Scholarship at a reception held at the LGA Hub at Annual Conference. The Local Government Challenge is supported by Kent, Essex and West Sussex County Councils – the three partners in the Bruce Lockhart scholarship – with the MJ as its media partner. A full evaluation of the competition, now entering its ninth year, will be carried out this year.

### **Membership visits by the Strategic Management Team:**

<b>Chief Executive's Membership Visits: 8 June – 19 July 2017</b>	
8 June	Association of County Council Chief Executives Meeting
14 June	Hertfordshire Chief Executives Meeting
14 June	Combined Authority Mayoral Event
16 June	East of England Chief Executives Forum
28 June	Chief Executives Sounding Board Lunch
<b>Forward plan: 20 July – 13 September 2017</b>	
16 August	Suffolk County Council
8 September	East of England Chief Executives Meeting
<b>Deputy Chief Executive's Membership Visits: 20 July – 13 September</b>	
8 August	Buckinghamshire County Council
<b>Director of Communication's Membership Visits: 8 June – 19 July 2017</b>	
13 June	London Borough of Hackney
14 June	West Midlands Combined Authority

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### Media and Public Affairs

6. In the run up to the General Election public affairs engagement focussed on influencing the party manifestos. Our Group Leaders wrote to party leaders setting out local government's priorities for the new Parliament and we published a briefing to support our engagement.
7. Our briefings on what the manifestos said on the key issues for councils were downloaded 3,216 times from our website between 26 May and 7 June 2017. Following the Election, the Chairman and Board Chairs wrote to the Secretaries of State of the relevant Whitehall departments to outline local government's priorities.
8. The Government announced its legislative and policy agenda in the Queen's Speech on 21 June. Our On the Day Briefing summarised the measures relevant to local government alongside our response, and the likely implications for councils.

Media Source	Issue
<b>Funding for local government</b>	
<b>The Guardian, Sun Online, BBC Radio 4 World at One, BBC Radio 5 Live</b>	Lord Porter's letter to council leaders about assurances he had received from government that funding will be made available to councils that need to conduct work on tower blocks, following the Grenfell Tower fire.
<b>The Times, Mail</b>	Comment pieces referenced the LGA's analysis of the funding gap facing local government by 2020.
<b>The Times, BuzzFeed</b>	Lord Porter featured with the LGA's main response to the Queen's Speech, about the association's concerns on the absence of the Local Government Finance Bill.
<b>BBC Online</b>	The LGA's lines on business rates in an article about small businesses still waiting for discretionary tax relief.
<b>Inclusive growth, jobs and housing</b>	
<b>BBC Radio 4's Today Programme, Sky News, BBC Victoria Derbyshire Show, BBC News channel, ITV News, Channel 4 News, Channel 5 News, BBC Radio 5 Live, Talk Radio, TalkSport, LBC, BBC local radio, BBC Online, Sky News Online, Mail Online, Times Online, Telegraph Online, Independent Online</b>	Lord Porter on the value of the Government's cladding testing programme.
<b>Good Morning Britain, Telegraph Online, Guardian Online</b>	The LGA's statement on how councils were working swiftly to check cladding on tower blocks and submit samples for testing.
<b>BBC Radio 4 Today, BBC News, BBC World News, Sky News, BBC Radio 4's The World This</b>	Housing Minister Alok Sharma referenced the LGA's media release which advised councils still waiting for cladding test results to prepare contingency plans so they can take any

<b>Weekend, BBC Radio 5 Live, LBC, Mail, BBC Online, Guardian Online, Telegraph Online</b>	measures needed.
<b>Observer</b>	The LGA's call for the freeze on the local housing allowance - paid to those renting privately - to be lifted immediately.
<b>Independent Online</b>	The LGA's warning that almost 90,000 council homes will be sold by councils under Right to Buy by 2020, which they will be increasingly unable to replace.
<b>i paper</b>	The LGA's recent publication on rural communities and broadband.
<b>Guardian</b>	The LGA's previous release highlighting how the proportion of 25-year-olds who own a home has halved in two decades was referenced.
<b>BBC Online</b>	The LGA's lines on how councils work closely with the Environment Agency to continue monitoring landfill sites long after they have closed.
<b>BBC Online</b>	The LGA's lines on how it is helping councils work together to sensitively manage moving homeless families from London boroughs to other councils in south east England when they are unable to house them.
<b>Guardian</b>	A feature on the cost of car parking, which referenced previous comments by the LGA that any surpluses from on-street parking is required to be spent on improving parking and transport facilities.
<b>Guardian Online</b>	How the LGA will be seeking talks with plastic bottle manufacturers to get them to contribute towards deposit schemes and recycling, to offset the impact on kerbside collections.
<b>Children, education and schools</b>	
<b>Guardian Online, i paper online</b>	The LGA's release on the need for councils to retain flexibility over how schools funding is distributed locally.
<b>Independent Online, BBC Radio 5 Live</b>	The LGA's response to the NSPCC's "How safe are our children?" report, which highlighted how the number of children being reported as victims of emotional abuse has risen by 200 per cent in seven years.
<b>ITV News, BBC Online</b>	The LGA's call for councils to be given powers to create more school places.
<b>Guardian Online</b>	The LGA's estimate that children's services face a £2 billion funding gap by 2020.
<b>BBC Online</b>	CYP Vice Chairman Cllr Roy Perry with the LGA's response to the National Day Nurseries Association's research into local authority funding rates to nurseries for two, three and four year olds.
<b>BBC Online</b>	The LGA's lines that fire safety checks were continuing in council-run schools, ahead of the deadline for completion.



<b>Promoting health and wellbeing</b>	
<b>Guardian</b>	Community Wellbeing Board Chairman Cllr Izzi Seccombe about the allocation of £1 billion of government funding earmarked to reduce “bed-blocking”.
<b>BBC Online</b>	The LGA’s response to the annual ADASS budget survey, which forecast a budget shortfall of £2.3 billion opening up by 2020 unless the system is reformed.
<b>Mail</b>	The LGA’s previous lines that more than one million people in Britain aged over 65 experience loneliness.
<b>Independent Online</b>	The LGA’s recent publication on rural health, which found that rural communities are being neglected, resulting in increasing digital exclusion and a breakdown in social networks and transport links.
<b>Times, BBC Online, Telegraph Online, Metro Online, LBC, BBC Radio 4, BBC Radio 5 Live, BBC Online, Guardian Online</b>	Chairman Lord Porter with the LGA’s statement on council efforts to undertake urgent reviews of high rise blocks following the Grenfell Tower fire, and the LGA’s ongoing support to councils.
<b>BBC News channel, BBC Online, Mail, BBC Radio 4’s PM programme, BBC Radio 5 Live and BBC regional radio news bulletins</b>	The LGA’s response to the Grenfell Tower fire.
<b>Express, Telegraph Online, ITV Online</b>	The LGA’s call for lorry drivers to be banned from using sat navs designed for cars.
<b>Guardian Mail, Mirror Online, Star Online</b>	The LGA’s previous warnings about faulty tumble dryers and for Whirlpool to launch a publicity campaign to warn people not to use fire-risk tumble dryers.
<b>BBC Radio 4’s You and Yours programme</b>	The LGA’s guidance on equality legislation and wheelchair passengers relating to taxi licensing, in a feature piece on the issue.
<b>Sector-led improvement</b>	
<b>Mirror Online</b>	The LGA’s excellent rating of Essex CC in a peer review last year, in a feature about a Syrian family’s successful relocation through the Syrian Vulnerable Persons Resettlement Programme.
<b>BBC Online</b>	How an independent review of children’s services in Gloucestershire is to be carried out by the LGA.