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## **Priorities and work programme**

### **Purpose of report**

For discussion and direction.

### **Summary**

This report invites members to agree the Board priorities for 2017/18, to note progress to date in delivering the improvement programme for 2017/18 and to offer thoughts about the potential shape of the improvement programme for 2018/19.

### **Recommendations**

Improvement and Innovation Board members are asked to:

1. Agree the Board priorities for 2017/18 and confirm member leads (paragraphs 8-11);
2. Note progress of delivery to date and take up of Corporate Peer Challenges (paragraphs 17-21); and
3. Comment on the potential shape of the improvement programme for 2018/19 (paragraphs 22-29).

### **Action**

As directed by members.

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## **Priorities and work programme**

### **Background**

1. All LGA Boards are asked to consider their priorities for the coming year at the first Board meeting of the new cycle. For the Improvement and Innovation Board (IIB) the work programme is in effect the improvement programme set out in the Memorandum of Understanding (MoU) with the Department for Communities and Local Government (DCLG). This report also updates members on delivery of the improvement programme and invites members' views on the shape of the programme for 2018/19, to inform discussions with DCLG.
2. The LGA's Boards seek to lead the agenda for local government on the key challenges and issues within their remit, and support the overall objectives of the organisation, as set out in the LGA's Business Plan.
3. The LGA Leadership Board and Executive have recently agreed an updated Business Plan for 2017/18 with the following areas of focus:
  - 3.1. Britain's exit from the EU;
  - 3.2. Devolution and funding for local government;
  - 3.3. Inclusive growth, jobs and housing;
  - 3.4. Children, education and schools;
  - 3.5. Adult Social Care and health;
  - 3.6. Supporting Councils; and
  - 3.7. A single voice for local government
4. The IIB leads the Supporting Councils theme; provides a strategic framework within which other LGA Boards provide improvement support in relation to the other Business Plan priorities and contributes to the cross-organisational work on Brexit, primarily through its work on Procurement. The Supporting Councils theme sets out an effective programme of support developed in line with the overall approach to sector led improvement and consistent with the MoU with DCLG.
5. The overall *approach* to sector led improvement is summarised, particularly for new members, at **Annex A**. The *programme* of sector led improvement support comprises a number of **core building blocks**, based on what we have learnt works for improvement. They are:
  - 5.1. Peer challenge;
  - 5.2. Leadership development programmes;
  - 5.3. Efficiency and productivity support;
  - 5.4. Tools to share comparative performance data; and
  - 5.5. Sharing good and innovative practice.
6. The Government (DCLG) supports this approach to sector led improvement and provides grant funding set out in a detailed MoU agreed between the LGA and DCLG. Up until 2016/17, the improvement work of the LGA was funded through a top-slice of the revenue support grant allocated to local authorities. 2016/17 marked a change from top-slice to DCLG grant funding. The MoU agreed with DCLG is for one year only and

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amounts to £21 million in 2017/18. The main improvement grant has reduced by over 50 per cent since 2010/11.

7. The IIB oversees delivery of a large part of the work of the LGA funded by the DCLG grant. The MoU sets out what the funding can and cannot be used for and includes a detailed list of outcomes and outputs. The IDeA Board has overall formal responsibility for all the work funded by the DCLG grant. An extract of the MoU is **attached at Annex B.**

### **Board priorities**

8. The **core building blocks** for improvement are reflected in the MoU with DCLG. Importantly, they also provide a framework for the Board's priorities.
9. Historically, therefore, the Board has organised its work around the following core areas, each of which has been led by members, as follows:

- 9.1. **Improvement (including peer challenge): Cllr Paul Bettison**

This is the theme under which the vast majority of our peer support and peer challenge work is covered. We are due to deliver 110 peer challenges this financial year and put in place peer based support in over 150 councils. We have developed a tiered approach to the peer based model, recognising that whilst most support offers will be universal, some councils will sometimes face more significant challenges and will require more bespoke support.

- 9.2. **Leadership: Cllr Judi Billing**

The LGA's political leadership programmes provide direct support to improve the skills of councillors and senior managers across local government. The programme includes our Leadership Academy and Leadership Essential programmes which provide development opportunities for over 700 councillors. Also included in this area are our Next Generation and "Be a Councillor" programmes, plus the national graduate development programme (NGDP). In the light of feedback from the sector, this year's programme includes support for managerial leadership development, delivered in partnership with SOLACE.

- 9.3. **Efficiency and productivity: Cllr Ron Woodley**

Our efficiency and productivity programme provides a range of support to help councils in these areas ranging from the creation of procurement frameworks through to the use of productivity experts which provide support such as renegotiating contracts with suppliers. This year we have strengthened our offers around commercialism including access to a newly developed course jointly provided with the Institute of Directors. We have also recruited a number of expert financial advisers that councils can make use of, free of charge, to support them on a range of financial issues, including technical support to the medium term financial planning process. Also new to the programme this year is our work with the National Cyber Security Centre to raise the profile of Cyber Security and support cyber resilience.

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9.4. **Accountability, transparency and sharing good practice: Mayor Dave Hodgson**

This includes our work to support local transparency, promote open data standards and the on-going development of LG Inform our on-line comparative data and benchmarking service.

9.5. **Innovation: Cllr Peter Fleming**

Our work to support innovation in councils includes work with the Design Council to explore design techniques to transform services and manage demand and also with the Behavioural Insights Unit, plus the Innovation Zone at the LGA Annual Conference.

10. In addition, the IIB provides strategic oversight of all LGA improvement activity and works closely with other Boards.

11. The Board is invited to re-affirm these priorities and the member leads outlined above.

12. **Board members** have a valuable contribution to make to this work:

12.1. Providing oversight of the improvement programme as a whole;

12.2. Advising on the shape of the offer, ensuring that it addresses the changing needs of councils;

12.3. Providing feedback on the effectiveness of the offer, either as a result of take up in their own council or by neighbouring councils (in advance of this Board meeting members were invited to sign their council up for a corporate peer challenge; participate in one of our leadership programmes and receive LG Inform training); and

12.4. Promoting visibility and take up of the offer within their areas. Members can keep up to date with developments by signing up to the Board bulletin here: <http://local.gov.uk/ebulletins>.

13. **Member Peer Conference:** The sector led approach to improvement is effective because it is a peer based model. Peers contribute challenge, advice and support based on the practical knowledge and experience gained by working in the sector and dealing with the challenges it faces. Member and officer peers are integral to the success of the approach.

14. On 6 September the LGA hosted an annual Conference for Member Peers at Manchester Town Hall. The conference was a key occasion to thank peers for the contribution they make to the success of sector led improvement. It also provided an important opportunity to engage peers on the key issues facing the sector, helping to inform the LGA's improvement work going forward.

15. Approximately 100 member peers attended the event, and were welcomed Cllr Paul Bettison as the Chairman of the Improvement and Innovation Board. Feedback from peers has been positive, with 96.4 per cent of delegates stating they were either 'very satisfied' or 'fairly satisfied' with the event as part of the formal feedback process.

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16. During the event, peers were asked what they believed to be ‘the major risks and opportunities for local government over the next 12 months’. The most frequent responses provided were: Finance; Devolution; Brexit; Health and social care; Relationships with residents and public confidence; Civil contingencies/emergency response and recovery. Planning for an event next year is already underway.

### **Improvement programme - Progress (at the half year stage)**

17. The MoU provides for regular reporting about the progress of delivering the improvement programme and its impact. The annual report for 2016/17, provided as part of the fourth quarter monitoring meeting in June 2017, can be accessed [here](#). It sets out a positive assessment of the delivery and effectiveness of the support programme:

17.1. All apart from two of the 50 deliverables were fully met (and the remaining two partially met);

17.2. Take-up across the sector was strong;

17.3. Councils said the support was useful. Almost 90 per cent of council leaders and chief executives said the LGA support had a positive impact on their authority; and

17.4. The LGA/IDeA was able to demonstrate how it had met the target of helping councils deliver £210 million efficiency savings.

18. This pattern of strong delivery continues for the current financial year. Some key highlights, at the half-year stage include:

18.1. 740 councillors already booked on our leadership courses.

18.2. 31 peer challenges delivered and tailored peer support through the use of member or officer peers provided for a total of 41 councils.

18.3. Launched the Housing Advisers programme.

18.4. Productivity experts deployed to date in 15 councils, helping them to save in excess of £26 million.

18.5. Re-launched the shared services map which now identifies efficiency savings in excess of £640 million.

18.6. LG Inform received its 1 millionth hit.

18.7. Agreed a programme of support around community cohesion.

19. A detailed performance report for the first six months to end September is being prepared at the time of report writing and will be submitted to Lead Members, the IDeA Board and circulated to all Board members as soon as it is available.

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20. One issue that has received some publicity recently is the **take up of the Corporate Peer Challenge (CPC) offer**. It was claimed in the press that “90 councils have yet to sign up to peer challenge” and that “some of England’s most prominent councils are among the third that have shunned the opportunity to have a corporate peer challenge”. In fact, of the 90 or so listed in the media article, approximately 30 authorities already had a CPC booked in or were in discussion to schedule one.
21. Our expectation is that all local authorities should have a Corporate Peer Challenge or Finance Peer Challenge over a four-five year period. We have also taken on board recommendations about “take up” from the Cardiff evaluation of Corporate Peer Challenge (CPC) published earlier this year. We closely monitor and actively promote take up of CPCs – including to those councils that have not yet had one – and as a result in 2016/17 approximately half of all CPCs were first time CPCs. Nevertheless there is still more that could be done and we would welcome members’ views and suggestions.

### **Improvement programme - priorities for 18/19 onwards**

22. Discussions with DCLG will soon begin about the shape of the improvement programme for the remainder of 17/18 and for 18/19. It is important that the LGA is able to enter these discussions with a clear understanding of the sector’s support needs and the LGA has embarked on a process of engaging the sector to capture what the improvement priorities should be in future years.
23. To date this has included discussions at the LGA’s Member Peer Conference in September; the LGA’s Chief Executive Sounding Board; and through the discussions that the LGA’s Principal Advisors have with members and senior officers on a regular basis. The views of members of the Improvement and Innovation Board are an important part of this process.
24. Feedback so far from the sector continues to be very positive. Peer challenge and support; the leadership work developing councillors together with specific support to help councils to deliver savings are all still highly thought of and considered to be at the core of any improvement offer going forward.
25. In terms of new offers a number of councils have come forward to suggest that there is a need to develop an offer to help councils strengthen emergency planning and resilience preparations, in the light of Grenfell. In addition, whilst outside the core remit of DCLG funding, it is also the case that an increasing number of councils are looking for support around children’s services – both in terms of service performance but also cost, as demand pressures are impacting on many councils’ budget position.
26. We would welcome members’ contributions and suggestions to help develop and shape the improvement programme for 2018/19.
27. In terms of next steps we will continue to work with the sector to develop a clear sense of improvement priorities for 2018/19 and expect to engage DCLG later this year with a view to agreeing grant funding for 2018/19 by the beginning of that financial year.
28. In previous years the government has indicated the amount of improvement grant as part of the provisional local government finance settlement in late November/early December.

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Whilst the settlement in November 2016 did not set out a grant figure for 2017/18 it did include confirmation that sufficient resources had been set aside to enable sector-led improvement to continue and that it was the Government's intention to announce funding to IDeA, following negotiations. We are seeking similar reassurances for 2018/19 and will continue to promote the case for a three year grant commitment.

29. Progress reports will be brought to the Improvement and Innovation Board and IDeA Board in January.

### **Implications for Wales**

30. There are no implications for Wales. DCLG grant is for England only. In Wales improvement work is provided directly by the WLGA.

### **Financial Implications**

31. There are no additional financial implications arising as a result of this report.

### **Next steps**

32. Officers will progress the work in the light of members' guidance.