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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 2018/19, to note progress to date in delivering the improvement programme for 2018/19 and to offer thoughts about the potential shape of the improvement programme for 2019/20.

Recommendations

Improvement and Innovation Board members are asked to:

1. Agree the Board priorities for 2018/19 and confirm member leads (paragraphs 9);
2. Comment on the potential shape of the improvement programme for 2019/20 (paragraphs 20/27).

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 Ministry of Housing, Communities and Local Government (MHCLG). This report also updates members on delivery of the improvement programme and invites members' views on the shape of the programme for 2019/20, to inform discussions with MHCLG.
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 2018/19 with the following areas of focus:
 - 3.1 Funding for Local Government
 - 3.2 Housing
 - 3.3 Inclusive growth, jobs and devolution
 - 3.4 Children, education and schools
 - 3.5 Adult social care and health
 - 3.6 Supporting Councils
 - 3.7 Britain's exit from the EU
 - 3.8 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 Britain's exit from the EU, 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 MHCLG.
5. The overall *approach* to sector led improvement is summarised, particularly for new board 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;

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- 5.3. Efficiency and productivity support;
 - 5.4. Tools to share comparative performance data;
 - 5.5. Sharing good and innovative practice.
6. The Government (MHCLG) supports this approach to sector led improvement and provides grant funding set out in a detailed MoU agreed between the LGA and MHCLG. 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 MHCLG grant funding. The MoU agreed with MHCLG is for one year only and amounts to £20 million in 2018/19. 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 MHCLG 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 MHCLG 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 MHCLG. 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 Peter Fleming**

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 Essentials programmes which provide development opportunities for approx 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, the programme also includes support for managerial leadership development, delivered in partnership with SOLACE.

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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. We have strengthened our offers around commercialism including access to a recently 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. We have also strengthened our work with the National Cyber Security Centre to raise the profile of Cyber Security and support cyber resilience.

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; 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

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with the challenges it faces. Member and officer peers are integral to the success of the approach.

14. On 8 November the LGA is hosting an annual Conference for Member Peers in Nottingham. The conference will be a key occasion to thank peers for the contribution they make to the success of sector led improvement and provide an important opportunity to engage peers on the key issues facing the sector, helping to inform the LGA's improvement work going forward.

Improvement programme - Progress (at the half year stage)

15. The MoU provides for regular reporting about the progress of delivering the improvement programme and its impact. The annual report for 2017/18, provided as part of the fourth quarter monitoring meeting in July 2018, can be accessed here.

<https://www.local.gov.uk/sector-led-improvement-201718> . It sets out a positive assessment of the delivery and effectiveness of the support programme:

- 15.1. All apart from four of the 60 deliverables were fully met (and the remaining four partially met);
 - 15.2. Take-up across the sector was strong;
 - 15.3. Councils said the support was useful. 95 per cent of council leaders and chief executives said the LGA support had a positive impact on their authority; and
 - 15.4. The LGA/IDeA was able to demonstrate how it had helped councils deliver £209.5 million efficiency savings (£0.5m short of the MoU target).
16. This pattern of strong delivery continues for the current financial year. Some key highlights, at the half-year stage include:
 - 16.1. Over 700 councillors already booked on our leadership courses.
 - 16.2. 64 peer challenges delivered and tailored peer support through the use of member or officer peers provided for a total of 98 councils.
 - 16.3. Productivity experts deployed to date in 28 councils, contributing to efficiency savings/income generation of £33m.
 - 16.4. Re-launched the shared services map which now identifies £971 million of cumulative efficiency savings since we started collating the figures in 2012
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 Board members as soon as it is available.

Improvement programme - priorities for 19/20 onwards

20. Discussions with MHCLG will soon begin about the shape of the improvement programme for the remainder of 18/19 and for 19/20. It is important that the LGA is able

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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.

21. To date this has included discussions at 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 and we will also invite feedback and contributions from member peers at the forthcoming Member Peer Conference in November.
22. 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.
23. In terms of developing the programme for 2019/20 it has been suggested that:
 - 23.1 We make reference to working with MHCLG and councils to support the Digital Declaration programme. We know that using Digital technology to improve responsiveness of services whilst driving down costs is an area of keen interest for Ministers.
 - 23.2 Support for councils around homelessness and rough sleeping. The rough sleeping strategy signalled MHCLG's intention: *"We will work with the Local Government Association to develop a comprehensive package of sector-led support for homelessness and rough sleeping. We expect this to be in place by summer 2019."*
 - 23.3 Greater emphasis be given to our work on commercialisation. The commercial event at the LGA conference was very well received by Chief Exec's. Income generation and trading companies are featuring as emerging issues of interest.
 - 23.4 Strategic relationships with key suppliers and contingency arrangements where there is a risk that the supplier might go into administration is already being picked up as part of our work on procurement, but this is rising in terms of its importance and profile.
24. We would welcome members' contributions and suggestions to help develop and shape the improvement programme for 2019/20.
25. In terms of next steps we will continue to work with the sector to develop a clear sense of improvement priorities for 2019/20 and expect to engage MHCLG later this year with a view to agreeing grant funding for 2019/20 by the beginning of that financial year.
26. 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. Whilst the settlement in November 2017 did not set out a grant figure for 2018/19 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

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to IDeA, following negotiations. We are seeking similar reassurances for 2019/20 and will continue to promote the case for a three year grant commitment.

27. Progress reports will be brought to the Board and IDeA Board in January.

Implications for Wales

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

Financial Implications

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

Next steps

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