

## **2013/14 Performance Report**

**Full year: April 2013 – March 2014**

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# **CHIEF EXECUTIVE'S REPORT**

## **Year ended 31 March 2014**

### **About us**

The Local Government Association (LGA) is the national voice of local government. We work with councils to support, promote and improve local government.

We are a politically-led, cross party organisation which works on behalf of councils to ensure local government has a strong, credible voice with national government. We aim to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems.

Supporting local government as the most efficient and accountable part of the public sector, the LGA plays a leading role in improvement and innovation so that councils can continue to make a difference in their local areas and to the lives of their residents. We fight local government's corner, supporting councils through challenging times and focusing our efforts where we can have real impact.

We cover every part of England and Wales, including county and district councils, metropolitan and unitary councils, London boroughs, Welsh unitary councils, fire and rescue and national park authorities. In 2013/14 we had 414 member authorities in England and Wales. The 22 Welsh authorities are in corporate membership through the Welsh Local Government Association.

### **A year in focus**

Local government has faced unprecedented challenges over the last few years and, as the national economy starts to show encouraging signs of recovery, councils are still shouldering the biggest spending cuts of any part of the public sector. This means we face a number of fundamental questions about what public services should look like and what councils should provide. As a sector, we're trusted over national government to lead these changes to the services we deliver and, as an organisation, we've worked on behalf of our members to represent local government's voice at a national level.

In 2013-14, we focused on making a powerful case for greater independence for local government, campaigning for localism, greater financial and decision-making autonomy for democratically elected councils.

The launch of the Rewiring Public Services campaign at our annual conference in July 2013 provided solutions for how local government could deliver public services within an ever tightening fiscal environment. The campaign focusses on radical transformation of the way local government works and its relationship with Whitehall.

The campaign was widely reported and referenced numerous times in both Houses of Parliament and the national media. Many councils developed the work further by hosting local debates and agreeing cross-party council motions to support its key propositions.

Ongoing engagement with our member councils is an integral part of all of our work. In the last year, our Chairman, Chief Executive and other members of the senior team made nearly 600 visits to councils in England and Wales and we held more than 100 events. A third were held outside London and 70 per cent were free to attend for our members.

Promoting and defending the reputation of local government and representing councils' interests in Parliament are key areas of work that matter most to our member councils. In the last year, through our proactive media work, we generated nearly 30,000 episodes of media coverage for local government – that's 81 a day. Nearly 1,200 of those were in national print and broadcast media. We also secured numerous opportunities in Parliament to press for changes in current legislation affecting local government, amendments to proposed legislation, to raise issues and concerns on your behalf and to ensure local government receives the credit for the work it does.

Our improvement work has been widely used by councils helping to share innovation and best practice across local government. The LGA plays a critical role in ensuring the performance of councils; addressing those at risk of underperformance; driving improvement across the sector; supporting councils through significant changes; and supporting strong local leadership. This approach, helping to co-ordinate improvement work on behalf of councils, has helped them to deliver millions of pounds of savings in effect and improvement.

Our recent survey of members showed significant increases in satisfaction over the last 12 months. Seventy seven per cent of members say we effectively represent their views to central government – compared with 69% in 2012 – and 68 per cent say we are influential in shaping the agenda for local government – compared to 62% in 2012.

### **Our priorities**

The LGA's priorities, laid out each year by the LGA Executive, are the ones that matter most to our membership. In January 2014, the LGA's Executive agreed a new board structure for the coming year which sees the creation of two new boards to represent the interests of city and non-city areas, reflecting the changing landscape for cities and city regions and placing a greater emphasis on the role of member councils as LGA decision makers.

In 2013/14, our top priorities for local government were:

- Funding for local government
- Economic growth, jobs and prosperity
- Public service reform

### ***Funding for local government***

We have been lobbying for a reform of the finance system so councils have the confidence that their financing is sustainable and fair, the opportunities to raise more funds locally, and greater ability to promote collective working across local public services.

Over the course of the year, we secured a number of significant wins for local government. These included:

- protection for local government from further cuts in the period up to 2015/16
- a commitment to local government settlements for a three-year spending round, aligned with comprehensive spending review
- a firm commitment from central Government that the new social care system would be adequately funded
- an extra £400 million for local government's new public health responsibilities
- £215 million – split over two years – for local roads maintenance
- a £94 million additional payment to schools' central services
- an extra £47 million for post-16 high needs students
- an additional £100 million of capital funding to support councils to deliver extended free early education for two-year olds from 2013

### ***Economic growth, jobs and prosperity***

Over the course of the year, we've been working on behalf of our members to ensure that local government is recognised as being central to economic growth. This includes ensuring that councils have a key role in driving the growth in their area; that they maintain planning powers and can drive an increase in housing supply; and they can build business confidence by reducing unnecessary red tape and regulatory burdens at the local level.

The LGA has worked in and around parliament and in the media to represent local government's position in these areas, with positive results:

- Lobbied for the principle of a Local Growth Pot
- £50 million of Youth Contract underspend devolved to some councils to fund local schemes to help young people towards work
- The reinstatement outside London of £330m in New Homes Bonus
- A commitment that the Government will fully fund its proposals to cap business rates in 2014/15 and 2015/16
- The return of £123m of holdbacks to Revenue Support Grants in 2014/15
- Secured the relaxation of the housing borrowing cap through the Chancellor's 2013 Autumn Statement
- Pursued amendments to the Deregulation Bill to localise retention of Right to Buy receipts and localise the setting of Right to Buy discounts

### ***Public service reform***

In order to achieve economic and social benefits as well as short- and long-term savings, there needs to be a fundamental and ambitious rethink to the way local services are funded and organised. We have pushed to ensure that independent councils are at the centre, and are seen to be at the centre, of this public service reform, delivering more effective services for local people and holding providers to account.

Over the last 12 months, our work in this area has seen a number of significant improvements for the sector:

- An amendment to the Local Audit and Accountability Act to create flexibility for councils to procure their audit nationally which would save more than £200 million over a five year period
- Additional funding - through the pooling of budgets - for local government social care of £1.9bn as part of the Better Care Fund
- The successful transfer of public health through sector-led support for health and wellbeing boards
- Supported the Waste Judicial Review to allow councils to determine the recycling collection they choose avoiding potential costs of millions of pounds
- Amended provisions within the Children and Families Act to curtail the power of the Secretary of State to remove all local authorities from adoption recruitment and assessment and delay implementation of the reforms until 2015
- Lobbied on clauses of the Children and Families Act relating to Special Education Needs (SEN), successfully clarifying legal duties about the social care needed by disabled children and improving the arrangements for those in youth custody who need SEN provision
- Lobbied on the Consumer Rights Bill to ensure that the investigatory work of trading standards officers would not be hampered by the legislation once enacted
- Secured agreement that officials would work with local government and the LGA to review how money lost through the ending of contracting out for public service pension schemes might be recycled back into the Local Government Pension Scheme

### ***Sector-led support***

This year has also seen the LGA's continued support for councils to improve performance, effectiveness and efficiency. Our approach is based on four key principles:

- Councils are responsible for their own performance.
- Councils are primarily accountable to their local communities.
- Stronger local accountability and increased transparency drive improvement.
- Councils have collective responsibility for the performance of local government as a whole.

Over the last year, the LGA has supported local authorities by:

- Delivering over 160 peer reviews
- Training and development for over 500 councillors
- Launching LG Inform, our data benchmarking service, to both council and the public
- Continuing to recruit graduates to the National Graduate Development Programme
- Directly supporting over 200 councils through peer mentoring and other services
- Working with over 40 councils on the LGA Productivity Expert Programme
- Supporting over 50 councils through the Adult Social Care Efficiency programme.

The role of the LGA is to maintain an overview of local government's performance with direct support for councils, so the number of councils the Government has to intervene with is kept to a minimum. Regular meetings are held between the LGA's principal advisers and all councils, and use is made of data and intelligence to assess any risks, with support being given to the sharing of good practice and expertise across local government.

### ***Looking ahead***

This year local government has made great strides but, a fundamental reform of how we deliver services and how they are funded is long overdue. Now is the time for us to show real leadership and to really progress a much-needed redrawing of public services.



**Carolyn Downs**  
Chief Executive

***A year in the LGA:***

- More than 9,000 delegates attended more than 100 LGA events. Eighty two per cent were free-to-attend for our members and 30 per cent were held in the regions
- Almost 4 million website views with 600,000 unique users of the website
- April: LGA lobbying led to a Government compromise on home extensions planning policy.
- May: Secured £1.8 million grant for councils and local health partners to improve health services for local residents
- June: Secured the return of £94 million in schools funding to provide vital support services to schools and students
- July: Launched 'Rewiring Public Services' campaign at the LGA's Annual Conference in Manchester, which attracted 1,500 delegates
- August: Published a landmark report on welfare reform - the first ever assessment of the cumulative impact of the Government's welfare reforms.
- September: The LGA secured 104 speaking opportunities across the three main party conferences for councillors.
- October: Extensive national and regional media coverage of local government's recovery efforts following one of the worst storms in 30 years.
- November: Published analysis showing the outdated Barnett Formula is short-changing English communities by £4.1 billion a year, generating significant national media interest and widespread support.
- December: Following LGA lobbying, the Government announced a compromise on the Children and Families Bill which ensured that councils will still play a role in recruiting adopters.
- January: Developed Flooding Website to provide resources and support to councils affected by floods.
- February: Helped councils to secure back over £1bn tied up in the failed Icelandic banks
- March: Approved plans to proceed with setting up a municipal bonds agency with the potential to save the sector £1.2bn over 30 years.

***LGA in the media:***

*Through our proactive media strategy, positive media coverage of local government increased this year:*

- National media coverage increased by 144 per cent year-on-year from 483 episodes in 2012/13 to 1182 in 2013/14.
- 79 per cent of coverage was positive about local government.
- 67 per cent of coverage was through pro-active media work by the LGA, often working with member councils.

### ***LGA in Parliament***

*Local government continues to have a significant voice in Parliament:*

- 1,247 mentions in Parliament
- An increase in the number of MPs who feel the LGA is an effective advocate for local government - 61 per cent of MPs feel the LGA is very or somewhat effective – up from 45 per cent in the previous 12 months
- 53 per cent of MPs aware of our work on the Children and Families Bill
- 38 per cent of MPs aware of our Rewiring Services campaigns
- LGA influencing and informing legislation:
  - Children and Families Act
  - Pensions Bill
  - Local Audit and Accountability Act
  - Care Bill
  - Deregulation Bill
  - Consumer Rights Bill
  - Anti-Social Behaviour Crime and Policing Act
  - Transparency of Lobbying Non-party Campaigning and Trade Union Administration Act

### ***Savings for local government***

- 5.7 per cent - projected saving for councils through Adult Social Care Efficiency Programme
- £52m efficiency savings from LGA Productivity Experts
- £331m financial benefit to the public and public services delivered via Customer Led Transformation programme

### ***Support for the sector***

- 86 corporate peer challenges
- 94 graduates placed in 40 councils across England and Wales through the National Graduate Recruitment Programme
- 54 councils signed up to 'making safeguarding personal' project

### ***In our annual survey, you told us:***

- 70% of members are satisfied with the work of the LGA on behalf of local government
- 83% think the LGA addresses the issues that are important to councils [up from 79% last year]
- 85% think the LGA stands up for and defends reputation of local government [new question, no comparison from last year]
- 76% think the LGA helps to set and drive improvement in the local government sector [up from 71% last year].