

## **Resources Board Membership, Terms of Reference and Work Programme**

### **Purpose**

For discussion and agreement.

### **Summary**

This report outlines proposals for the Board's priorities and key areas of work, set against the available resources. The Board's Membership for 2014/15 (**Appendix A**) and Terms of Reference (**Appendix B**) are attached for noting.

### **Recommendations**

That the Board:

- i. agreed its priorities and work programme for the 2014/15 meeting cycle;
- ii. notes its Membership, Terms of Reference and Lead Member Portfolio Holders for 2014/15.

### **Action**

Officers to progress the Board's agreed priorities and projects in line with available resources.

**Contact officers:** Michael Lockwood  
**Position:** Executive Director of Finance and Policy  
**Phone no:** 020 7664 3109  
**E-mail:** [michael.lockwood@local.gov.uk](mailto:michael.lockwood@local.gov.uk)

## **Resources Board Membership, Terms of Reference and Work Programme**

### **Background**

1. On 23 January 2014, the General Assembly agreed a series of changes to the LGA's governance structures, which came into full effect on 1 September 2014. These changes included the creation of a new Resources Board, combining the remits of the former Workforce Board, Finance Panel and the finance elements of the European & International Board.
2. For information, the membership of the new Board is set out at **Appendix A**. The Board's Terms of Reference is included at **Appendix B**, along with an explanatory note regarding responsibility for improvement support within the new governance arrangements at **Appendix C**.

### **The role of LGA Boards**

3. The LGA's policy 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.
4. They take an active role in helping to shape the Association's Business Plan through extensive engagement with councils and oversight of the programmes of work that deliver these strategic priorities.
5. The Business Plan and Boards' work programmes are underpinned by the LGA budget, which allocates resources to enable the Association to deliver the priorities in the business plan. It is important that each Board's work programme is focused on a defined set of priorities on which they can deliver significant impact and demonstrate value to councils within the bounds of the LGA's resources.
6. As this is the first meeting of the Resources Board and the start of the LGA's new meeting cycle which runs from September through to July, Members are asked to prioritise the work of the Resources Board over the coming months.

### **LGA Priorities: 2014/15**

7. The LGA's Business Plan for 2014/15, (available at <http://www.local.gov.uk/about>) sets out the priorities for the organisation which are based on those issues that that matter most to our membership. For 2014/15 the three top priorities for local government are:
  - 7.1. funding for local government;
  - 7.2. economic growth, jobs and housing; and
  - 7.3. public service reform.
8. These three priorities are supported and underpinned by the '*Investing in our Nation's Future: the First 100 Days of the next Government*' campaign (available here:

<http://100days.local.gov.uk/>). The campaign highlights eight of the key challenges that any new government will face, and sets out how local government could support the next administration address these issues through eight pledges:

- 8.1. Build half a million more homes;
- 8.2. Offer every child a place at a good school;
- 8.3. Halve the number of unemployed young people;
- 8.4. Reduce long-term unemployment by a third;
- 8.5. Support people to live independently at home;
- 8.6. Inject £1 billion a year into a much needed programme to address the pothole backlog;
- 8.7. Help the three and a half million overweight or obese children; and
- 8.8. Ensure more people live healthier lives and tackle the harm caused by smoking and excessive drinking.

### **Board Work Programme and Resources**

9. This report sets out a suggested work programme for the Board that is in line with the *First 100 Days* campaign and will help deliver the LGA's Business Plan priorities. Members are asked to consider the following priorities and projects listed in the below table as the Board's focus for the coming year.

<b>Work Stream: Workforce<sup>1</sup></b>	
Pay negotiations	Primary responsibility for negotiations lies with the various employers' sides but the Board will receive updates on all negotiating groups and provide comments and observations as the Workforce Board did. The key challenges are to ensure the relevance of national bargaining and to help in developing modern, flexible terms of employment.
Pensions	Reform of the pension system is continuing and the Board will receive regular updates and be invited to discuss development.
Strategic pay issues	Local Government has challenges around the low paid, effective recruitment of key professionals and probity in senior pay all of which will be the subject of Board discussion.
Social work career development	A separate paper has been tabled outlining the joint work with the CYP Board on this issue. See item 10.
Workforce dimensions of public service reform	The reorganisation and integration of many services, especially in health and social care brings many workforce challenges over fairness in terms and conditions for example and the workforce team continues to focus on these.

<sup>1</sup> Members are invited to refer to the Workforce Board legacy paper at item 8 for a more detailed outline of the ongoing workforce programme.

<b>Work Stream: Local Government Finance</b>	
A fair settlement for local government	The LGA will produce submissions, and seek to influence, the 2014 Autumn Statement (see Item 5 on the agenda), the Chancellor's Budget (Spring 2015), and the first Spending Review of the next Government (2015).
	The LGA will respond to the 2015/16 Local Government Finance Settlement announcement (expected December 2014) and publicise the impact on authorities across the country.
	The Future Funding Outlook model will be refreshed for 2015 to reflect Government announcements and changing economic conditions since the 2014 iteration, to set out the true impact of on-going austerity and growth pressure on local government, and to aid financial planning by councils.
<i>First 100 Days</i> document as they relate to local government finance	Supporting place-based finance as the "default delivery mechanism" by providing analysis and insight on the potential financial benefits, and outlining how the money flows would work in practice.
	Providing financial analysis to support the LGA's call for further devolution.
	Support for improved financial distribution arrangements, replacing financial distribution by Ministers with an independent distribution body.
	Developing methodology for new budget arrangements linking to the life of the Parliament.
Other <i>First 100 Days</i> activities that emerge following national and local debate.	
Independent local taxation	Updating our reviews of Business Rates Retention and Council Tax Support for the second year, identifying and lobbying on areas where the system should be improved.
Sustainable funding for service delivery and investment	Ensure that on-going reviews of adult social care funding and education funding reflect the LGA's values and agenda; continuing to lobby for new burdens funding for welfare reform, the Care Bill and other significant issues increasing costs to local authorities; whilst also recognising and helping to manage the increased financial risk to local authorities from such reforms.
The Independent Commission for Local Government Finance	Continue to provide secretarial and administrative support to the Independent Commission for Local Government Finance set up earlier this year jointly by the LGA and the Chartered Institute of Public Finance and Accountancy (CIPFA) in the lead-up to its final report in early 2015, and immediately following the release of the report.
Municipal Bonds Agency	The Board will be provided with periodic updates on progress with establishing the Municipal Bonds Agency and with its subsequent performance post launch.

<b>Work Stream: EU funding</b>	
EU Structural Funds for 2014-20	From next year, local areas across England will access £5.3 billion of EU structural funds for 2014-20. This budget will form a large proportion of any new public resources available for local regeneration. The LGA has already scored a major lobbying victory in securing the local delivery of EU funds from 2014 through Local Enterprise Partnership (LEP) areas. However much of the detail of the England programme has yet to be agreed. The LGA is at the forefront of efforts to ensure arrangements are designed and agreed in a way that delivers Ministers' commitment to devolve and allow local areas to have real influence over spending decisions. Item 12 on this agenda sets out further details.

<b>Work Stream: Welfare Reform</b>	
Welfare Reform and Universal Credit	Ensure that councils have a central role in the design, delivery and implementation of Universal Credit.
	Press for councils to have a central role in the commissioning and delivery of support for skills, work readiness and employment to ensure that Universal Credit can deliver on its stated aim of improving work incentives and employment outcomes.
	Ensure that councils are supported with local implementation and managing the wider impacts of welfare reform.
	Ensure that the council role in Housing Benefit administration during and beyond Universal Credit roll out is appropriately recognised and resourced.
	Work to understand and manage the implications for the housing market; continue to press for greater freedom and flexibility for councils to address the undersupply of appropriate, affordable housing (shared with the Environment, Economy, Housing and Transport Board).

### **Political Leadership of the Board's work**

10. Earlier this month, Lead Members met and discussed how to structure the leadership of the Board's lobbying priorities to make the most effective use of resources and to ensure the full breadth of the Board's priorities have political traction.
11. They agreed that each Lead Member would hold a portfolio for one of the five policy areas within the Board's remit, which they would be responsible for championing with the assistance of officer support. Lead Members agreed that for the purposes of continuity, the remaining portfolio should remain with the elected member who had championed this policy area within the previous governance arrangements. The agreed portfolio holders and areas are:

11.1. Local Government Finance Cllr Claire Kober

11.2.	Workforce	Cllr Roger Phillips
11.3.	Welfare Reform	Cllr Claire Hudson
11.4.	Municipal Bonds Agency	Cllr Clarence Barrett
11.5.	EU Funding	Cllr Sue Murphy

### **Next Steps**

12. Members are asked to:

- 12.1. discuss the suggested priorities and projects set out in the above table;
- 12.2. agree a work programme for the Board based on these discussions; and
- 12.3. note the Lead Member portfolio holders.