



# **Business Plan**

**April 2015 – September 2016**

**Updated November 2015**

## Foreword

*Financially sustainable local government, with the power to make local decisions in response to local needs and aspirations, is central to vibrant and prosperous communities and healthy democracy. This business plan sets out how the LGA will continue to represent the interests and priorities of our member authorities in order to make that a reality.*

The past few years have been amongst the hardest ever for local government and the pressure on funding for public services is set to continue. Working with our member councils across England and Wales we have made, and will continue to make, a real difference.

The 2015 Spending Review was tough – but it could have been even tougher. Our *Future Funding* campaign will continue to make the case that Government must properly fund new policies such as the National Living Wage and Universal Credit. Councils cannot continue to foot the bill while grappling with fresh spending reductions.

The new flexibility for councils to raise council tax by up to 2% above the current threshold, and the increase in the Better Care Fund, will go some way towards addressing the crisis in social care funding. With services for elderly and vulnerable people at breaking point, our *Fair Care* campaign will continue press for government to properly fund the ever-growing cost of social care.

Local government can help rebalance the economy and we have pressed for city and growth deals, and greater devolution. Our *Devo Next* campaign argues that the only way we can truly be sustainable in the long term is to devolve the power for decision-making and funding in both metropolitan and non-metropolitan areas. We will look at new ways to support and represent combined authorities and authorities with devolution deals.

The country needs more housing of all types and we will continue to work to ensure that national housing reforms and changes to the New Homes Bonus do not hamper the ability of councils to build new homes.

Councils have been extraordinarily successful in delivering efficiency improvements in response to funding cuts but many now fear that essential services will not only be scaled back, they risk being lost altogether. Our arguments that councils should be able to use capital receipts for revenue spending, and have autonomy in deciding how to spend reserves, have both now been recognised. We will work with government to ensure that the 100% devolution of business rates does not benefit some areas at the expense of others.

Underpinning our campaigns and lobbying, our improvement offer to councils will keep spreading best practice to ensure that local government remains the most efficient part of the public sector.

**Councillor Gary Porter**  
**LGA Chairman**

**Mark Lloyd**  
**LGA Chief Executive**

# The LGA's priorities

## Our mission

**The 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 working 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.

Our membership includes English and Welsh councils, fire and rescue authorities, national parks authorities and town councils.

The LGA fights local government's corner, supporting councils through challenging times and focusing our efforts where we can have real impact. Working with and on behalf of our membership, we are able to:

- influence critical financial and policy decisions
- press for more powers to be devolved from Whitehall to local government
- pick up emerging government thinking, ensuring councils' views are represented
- shape and develop the policies that local government needs
- influence draft EU laws to get the best deal for our member councils
- work with public, private, community and voluntary organisations to secure their support for local priorities
- speak with one voice to the public through local, regional and national media, helping to promote local government and defend its reputation
- support councils to share best practice and drive innovation and improvement, helping them to continue to deliver essential services in the face of reduced funding and increased demand.
- in our role as national employer, negotiate fair pay and pensions, and provide support and advice on workforce issues to councils.

## **Our vision for local government**

We want to enhance the quality of life for everyone in England by rejuvenating democracy and giving back to people real reasons to participate in civic life and their communities. We want participation in local elections to be a must-do and people to have a meaningful vote on a wide range of local tax and spending decisions. This means significant devolution of power from Westminster to the local level.

We want to see economic growth being boosted in a way that offers prosperity to every place, with well-targeted and planned investment in infrastructure, training and housing and support that really leads to jobs and an adequate supply of affordable homes.

We want public services to be transformed so they prevent problems instead of just picking up the pieces, and we are ambitious about the outcomes this can deliver, in particular for our children and young people. We want services to be built around people and their needs, joining up to make a positive impact on the lives of individuals, families and communities and make local areas better places to live, whilst making best use of resources.

### **To help achieve this vision, our priorities for local government for the year ahead are:**

***Funding for local government*** – reforms to the finance system give councils the confidence that their financing is sustainable and fair, opportunities to raise more funds locally and greater ability to promote collective working across local public services.

***Devolution*** - a radical re-think of governance and accountability achieves a real shift in power to local people.

***Promoting Health and Wellbeing*** – councils are well placed to support their citizens to live healthy, active lives and to remain at home and independent for as long as possible.

***Economic growth, jobs and housing*** – councils are recognised as central to revitalising local economies.

***Sector-led improvement*** – councils are responsible for their own performance, effectiveness and efficiency, accountable before all else to their local communities.

Local government is all about ensuring fairness for communities and enabling all those who live there to thrive. Greater independence for local government runs through all our priorities and inclusion and equalities issues lie at the heart of everything we do.

### **Our 2015/16 campaigns are helping deliver our priorities:**

- **Future Funding** – calling for fairer funding for local government, focusing on the reductions councils have already made and calling for all new policies to be properly funded by Government.
- **DevoNext** – looking to further devolve powers from Whitehall and Westminster to councils which will enable them to secure economic, political and social benefits for their communities. Bringing local public services together in one local place.
- **Sector-led Improvement** – highlighting the benefits of sector-led improvement to local government and promoting the good practice taking place across councils.

## **Our priorities**

### **Funding for local government**

**Reforms to the finance system give councils the confidence that their financing is sustainable and fair, with opportunities to raise more funds locally and greater ability to promote collective working across local public services.**

***There is a transparent system of local government finance at national and local level - we will***

- lobby for a finance system that promotes self-reliance and self-sufficiency, encourages entrepreneurialism and innovation, promotes local decision-making on service delivery and maintains support for the most vulnerable.

***Fair, timely and flexible local government finance settlements – we will***

- lobby for fair funding for England and English local government, including multi-year funding settlements.
- ensure that the consequences for local government of central government reforms are understood and adequately funded, particularly in the areas of welfare reform, adult social care, school places, children's services and fire and rescue.

***People have a meaningful local vote on a wide range of tax and spending decisions – we will***

- actively engage in the detailed arrangements for 100% business rates retention to ensure the system appropriately balances need, protection, risk and incentive
- develop proposals to improve the business rates appeals system and modernise valuation and collection.
- encourage a debate on local financial autonomy with a view to achieving local control over both council tax and business rates, and the right to determine new local taxes and set fees and charges which fully recover costs.

***Councils are able to access to alternative sources of finance to encourage investment and create jobs – we will***

- lobby to free local government borrowing from Treasury restrictions.
- assess and develop opportunities for councils to develop the case for accessing alternative sources of funding for infrastructure investment

## Devolution

**A radical re-think of governance and accountability achieves a real shift in power to local people.**

***Councils have the powers and responsibilities to tackle the big challenges facing the country – we will***

- work in partnership with Government, business and other partners to ensure that local communities in England and Wales have more responsibility to make decisions upon the issues which are of greatest importance to their lives.
- provide direct support to councils to support the implementation of devo deals and growth plans, through leadership development programmes, expert support, on-line tools and information.

***Councils have the flexibility and resources to deliver services that meet the needs of individual children and young people – we will***

- work to ensure that policy reforms enable councils to meet their ambitions for children and young people in their areas, as well their statutory duties in a climate of increased demand for children's social care.

***Councils are given the power, funding and lead responsibility to integrate and commission future back to work, skills and welfare support - we will***

- continue to press for an integrated and devolved model, including back to work support from 2017 when current Work Programme contracts come to an end.
- call for skills funding to be devolved to address future employer demand, and for welfare support to be localised.

***Councils work effectively with partners to build and sustain resilient and sustainable communities – we will***

- support councils to implement *Prevent*, tackle extremism and build community cohesion, and press government to properly finance the delivery of the counter-terrorism strategy.
- support councils to reduce crime against vulnerable people, including tackling domestic abuse, female genital mutilation and child sexual exploitation, and respond to reviews looking at the provision of coroners and crematoria services.
- make the case for risk-based funding of the fire and rescue service, working to transform service delivery, including greater collaboration across blue-light services; influence the proposed governance changes and support the development of the role of firefighters.
- work with the police and other partners to address the increase in crime, including violent and cyber-related crime; continue to support police and crime panels in their scrutiny of Police and Crime Commissioners.

***The local government workforce is able to deliver the services required by local citizens - we will***

- work with partner organisations to create innovative solutions to the challenge of bringing together workforces, improve organisational performance and productivity, better align pay and reward to performance and recruit and retain talent.

## Promoting Health and Wellbeing

**Councils are well placed to support their citizens to live healthy, active lives and to remain at home and be independent for as long as possible.**

***Councils lead the debate on the future vision for health and social care – we will***

- develop and promote a clear vision of the local authority role in the delivery of health and care systems, with the integration of health and care at its centre.
- make the case for the expansion and improvement of the Better Care Fund.
- campaign for health and wellbeing boards to lead a place-based approach to both health and social care commissioning as part of this closer integration.
- develop an offer to support areas negotiating for the devolution of health resources and decision-making.

***Councils are able to secure sufficient resources to deliver integrated, effective and integrated social care services – we will***

- campaign to close the funding gap in adult social care that is predicted to grow by at least £700 million a year, highlighting the impact of winter pressures, Deprivation of Liberty Safeguards and the implementation of the Living Wage on adult social care budgets and the sustainability of the provider market
- continue to support implementation of the Care Act and work with government and other partners to understand implementation issues for the phase two reforms.
- work with partners to continue improving public health and promote the role of wider preventative work within local areas' overall health and care systems.

***Councils have a central role in promoting health and wellbeing locally – we will***

- drawing in contributions from the other Boards, capture the full range of local government services that contribute to people's health and wellbeing including housing, leisure and culture, and skills and employment and identify partners and stakeholders who have an impact on health and wellbeing.
- commission a full cost benefit and economic case for investing in prevention programmes and use this as a basis for educating different sectors on what councils are trying to achieve and how they can contribute, including by encouraging the public to take a greater role by living well and providing self-care.
- work with partners to continue improving public health and promote the role of wider preventative work within local areas' overall health and care systems.

***Councils support the vulnerable and elderly – we will***

- assist councils in supporting carers, improving dementia and mental health services, tackling the challenges and exploiting the opportunities of an aging population, and better supporting those with autism and learning difficulties.
- continue to work with councils to deliver the Armed Forces Community Covenant.

## Economic growth, jobs and housing

**Councils are recognised as central to revitalising local economies.**

***Councils have a key role to play in driving economic growth, new jobs and wealth creation – we will***

- support city regions and non-metropolitan areas to deliver a better economic and social future for their citizens.
- lobby at European and national level, based on the 2015 EU legislative programme, to ensure the optimum delivery of EU funds for Local Enterprise Partnership areas.

***Infrastructure decisions are devolved and targeted to maximise growth – we will***

- with Local Partnerships, support councils to work with partners to maximise the value of local and national infrastructure investment including transport powers.

***Councils play a lead role in improving educational standards and working with businesses to match education, training and skills with employer needs – we will***

- support councils to improve standards for all children and young people from early years, through school and into post 16 education, training and employment, and campaign for all young people to be supported to participate in quality skills development and training, including independent careers advice and a passport for lifelong learning.
- promote good employment practices in helping apprentices, interns and NEETS into work including a series of national events for young apprentices.
- support councils to deliver on reforms for children and young people with special educational needs and disabilities.

***Councils unblock the barriers to house-building and drive the increase in housing supply the nation needs – we will***

- continue to make the case for councils to increase housing supply, promote affordable housing and ensure a more effective use of surplus public sector land, and support consortia of councils to access significant development funds for housing through the creation of new partnership models.
- ensure councils have the tools to manage the housing impacts of welfare reform.

***Councils are at the heart of the commissioning and delivery of household energy efficiency schemes and lead the future direction of waste policy – we will***

- champion councils' role in leading action on energy efficiency and green energy, lobbying to influence future EU proposals and maximise local control over recycling targets.

***Councils have the levers they need to maximise the impact of their culture services as drivers of growth – we will***

- support councils to make the most of their cultural, sporting and heritage assets and to get value for money from their investment in broadband.

***Councils facilitate economic growth through the development of risk-based, business-friendly public protection services – we will***

- press for simplified risk-based regulation that supports local business and make the case to the Better Regulation Delivery Office for better regulation in supporting growth.

- lead a debate on creating sustainable public protection services and press for further reform of the licensing system, supporting councils to develop models of service.

## **Sector-led support, improvement and innovation**

**Councils are responsible for their own performance, effectiveness and efficiency, accountable above all else to their local communities.**

***Challenge and support from peers lies at the heart of local government's approach to improvement*** – we will:

- maintain an overview of councils' performance, using this information to drive improvement, manage the risk of significant underperformance and minimise government intervention.
- hold regular meetings between councils and our principal advisors to share good practice and expertise, supporting lead member networks on key service and corporate issues and sharing information and concerns with government departments.
- deliver up to 100 peer challenges involving councillor and senior officer peers from councils and other organisations, including corporate peer challenges, service specific peer challenges, financial challenges and place based peer challenges.
- provide direct support to at least 40 councils and groups of councils each year, especially those with the most severe performance challenges or to resolve issues between the political and managerial leadership.
- share best practice of councils who are finding new and effective ways of working to secure outcomes for their communities at significantly less cost.
- co-ordinate sector-led improvement for children's social care, particularly safeguarding, ensuring councils are supported to tackle issues such as adoption and child sexual exploitation.
- work with the Association of Directors of Adult Social Care, Department of Health and NHS England to refresh and roll out the Care and Health Improvement Programme to help local authorities and health and wellbeing boards deliver high quality, sustainable local care and health services with increased public, regulator and government confidence.
- provide free access for councils and the public to transparent performance information through LG Inform, our online data and benchmarking service. LG Inform Plus will give councils access to small area data reports and tools and support authorities to drive improvement.
- provide direct support to at least 20 councils, through our partnership with the Centre for Public Scrutiny (CfPS), in developing scrutiny skills and expertise.
- provide support to councils to enable them to continue to be the most transparent part of the public sector.
- with Local Partnerships, provide direct support to help councils make savings, by providing commercial advice and support on matters of legal and contractual complexity.

**Strong political leadership is at the heart of local democracy and an essential pre-condition for continuous improvement** - we will:

- support at least 500 councillors with leadership roles in their councils – including those in opposition – through our suite of leadership programmes.

- support at least 50 ambitious and talented councillors with the potential to progress in their political careers through our Next Generation programme.
- through our Leading Edge programme, give at least 50 leaders and chief executives the opportunity to work together to develop their leadership roles and explore new models of delivery in the light of the financial challenges facing the public sector.
- help councils, political groups and the national parties to attract new talent to get involved in civic life through our 'Be a Councillor' programme.
- provide member peer support for at least 20 councils where there has been a change of political control, including new e-learning opportunities for all councillors particularly induction and community leadership skills.
- recruit up to 100 high calibre graduates to local government, working with councils to secure interesting and challenging placements, as part of a two year National Graduate Development Programme, building links with other public sector graduate programmes.

***Councils continue to be the most efficient part of the public sector*** - we will:

- develop more opportunities for councils to enter collaborative procurement arrangements, saving councils at least £10m a year.
- provide practical support to at least 20 councils helping them realise efficiency savings through our productivity expert programme, saving the councils in total at least £20m.
- support at least 15 councils to develop a more commercial approach to their activities
- support at least 25 councillors to attend the Commissioning Academy.
- provide bespoke political and officer support for at least 25 councils to help them address issues around financial sustainability, integrated budgets, and managing the risk of new delivery models.
- provide a matchmaking service for councils who wish to share services/management teams and promote good practice in shared services through our web-based interactive shared services map.
- equip 20 more councils with the skills and confidence to use design to improve public services and manage future demand for them.
- deliver cost-effective pay settlements for councils and support them in develop an employment deal relevant to 21<sup>st</sup> century public servants
- provide specialist advice and support for the Local Government Pension Scheme
- continue to offer practical advice and products for Local Authority workforce challenges.

**In addition to the direct support funded through RSG topslice**, we receive additional funding for our sector-led improvement programmes in specific service areas, including:

- Planning Advisory Service
- Culture services in partnership with Arts Council England and Sport England
- Care and Health programmes funded by the Department of Health
- One Public Estate

## **Our own efficiency and effectiveness**

The LGA is the national voice of local government representing every local authority and locally democratically elected representative across England and Wales.

### **A single voice for local government – we will**

- maintain membership levels amongst local authorities in England and Wales – including combined authorities and authorities with devolution deals – by continuing to offer membership benefits that meet the changing needs and expectations of the sector.
- maintain subscriptions at current levels for councils not on notice to withdraw from membership and continue to communicate on the benefits of membership directly with individual councils and all councillors.
- seek to attract organisations with an interest in local government into associate membership.

### **A politically-led organisation – we will**

- pilot a new portfolio approach in Resources and Community Wellbeing, and monitor the outcomes to determine whether to roll out more widely.
- ensure that the new combined authorities, elected mayors and other similar arrangements are appropriately represented on our governance arrangements.

### **Persuasive and transparent communications – we will**

- work to support, promote and improve local government using the full range of communications activity, ensuring councils have a strong national voice and are well represented to central government.
- continue to develop all channels of communication in line with the transparency agenda, to deliver accessible information and communicate with key audiences and stakeholders

### **Financial sustainability – we will**

- work with our member authorities and government to secure funding for our core services from 2016/17 from subscriptions and RSG topslice.
- continue to develop the commercial activities of the LGA and its joint venture companies.
- invest in Layden House and Local Government House to increase their capital values and maximise our income from fully commercial lettings.

### **Efficient business management – we will**

- continue to improve the efficiency of our back office services.
- through our partnership arrangement with Brent Council, continue to roll out a programme of ICT development that supports our drive for greater efficiency and aligns with our overall priorities.

### **Supportive people management – we will**

- support our employees to work flexibly through our HR policies and management approaches and enhanced IT support.
- ensure that all staff receive an annual appraisal, monthly 1:1 discussions and appropriate opportunities for learning and development.