

Note of last Resources Board meeting

Title: Resources Board
Date: Thursday 28 June 2018
Venue: Smith Square 1&2, Ground Floor, 18 Smith Square, London, SW1P 3HZ

Attendance

An attendance list is attached as **Appendix A** to this note

Item	Decisions and actions	Action
34	Welcome, Apologies and Declarations of Interest The Chair welcomed Members and Substitutes to the Board, and noted apologies received. The Chair Introduced himself as the new Chair of the Resources Board. The Chair thanked the previous Chair of the Resources Board, and her continuous hard work and dedication. The following Declarations of Interests were made: <ul style="list-style-type: none">• Cllr Massey notified the Board of their new role.• Cllr Marland notified the Board of his involvement with the new Local Government Mutual as a Founding Member.• Sarah Pickup, Deputy Chief Executive of the LGA, notified the Board of her involvement with the new Local Government Mutual as the representative of the LGA.	
35	Fair Funding Review and Business Rates Retention The Chair invited Nicola Morton, Head of Local Government Finance, to introduce the item. Nicola stated that the report updates members on progress on the Fair Funding Review and Business Rates Retention reform, and provides a detailed update on the delivery of the LGA's work programme since the previous Resources Board. Nicola drew the members attention to Item Two, Appendix B – the Proposal Evaluation Form. These criteria will be used by officers and the LGA Fair Funding Review and Business Rates Retention Task and Finish Group ('Task and Finish Group') to evaluate future proposals emerging from the Fair Funding Review and provide recommendations to members of Leadership Board and Executive on whether a model, or aspects of it, could be supported by the LGA .	

The Chair thanked Nicola for her update and invited members to comment:

- Members discussed the extensive negative effect of one large employer pulling out of a local area.
- Members discussed the problems high-street retailers are facing and their long-term sustainability.
- The Chair noted a discussion with a of a major retailer and the issues the retailer is facing, particularly in relation to online shopping and other online retailers.
- Members discussed EU laws and their jurisdiction over the rate of VAT.
- Members praised officers for the good progress and clear summary of item Two, Appendix A.

The Chair thanked members for their comments.

Action

- **Members noted the report.**

36 High-level Progress Update on the LGA Fair Funding Review and Business Rates Retention Work Programme

a) Proposal Evaluation Form

37 Dealing with Losses Due To Appeals

The Chair invited Mike Heiser, Senior Adviser, to introduce the item.

Mike updated members on discussions between central and local government on dealing with losses due to appeals under greater business rates retention and the need to find a better way to deal with appeals under rates retention. Mike asked members to agree and comment on the submission that formed Item Three, Appendix A.

The Chair thanked Mike for his update and welcomed members comments:

- Members agreed it was vital for the risks due to appeals to be dealt with in a better way than under the current system
- Members agreed the submission to MHCLG

The Chair thanked members for their update.

Action

- **Members agreed to the submission.**

38 Submission to MHCLG (to be sent out a supplementary agenda item)

39 Adult Social Care Green Paper - verbal update

The Chair invited Sarah Pickup, LGA Deputy Chief Executive, to introduce the item.

Sarah stated that the item was in two parts. Part two of this item would be confidential.

Part one:

Sarah stated that the Green paper for Adult Social Care (ASC) is still deferred until Autumn, with no date due for release. The current concern is that the Green Paper will continue to be pushed back, particularly since the Government's announcement of a £20.5 billion increase in funding each year for the next five years. Sarah stated that main focus and calls from the LGA are:

- To continue to lobby for the governments Adult Social Care Green Paper; and
- Lobby on how this increase in funding for the NHS is going to be spent – a ring-fenced amount dedicated to ASC.

Members noted this update.

Sarah updated members on part two of the update, and reminded the board this part was confidential:

Sarah stated that the LGA is planning on releasing its own ASC Green Paper in the coming months. Political group Leaders have agreed for the publication of this in principal, but is yet to agree on the Papers final content. Sarah went on to state that the clear response from the survey released is that there needs to be more funding for ASC from government, and that funding is not just raised at a local level. Sarah stated that the press release is embargoed until the upcoming Sunday.

The Chair thanked Sarah for the update and welcomed members to comment:

- Members greatly welcomed the LGA's Green Paper.
- Members raised concern over the work to be delivered within timescale.
- Members requested that leaders of councils with ASC responsibilities will need to contribute.
- Members emphasised the need to get this right in terms of communication and lobbying.
- Members expressed some worries over potential taxation at a local level, and that this may be claimed by the NHS rather than channelled into ASC. Members stated that there is a danger we are at tipping point on choices between adults/children's social care and other services like highways.
- Members expressed the need to ensure the paper does not just get 'shelved'.
- Members discussed the need to get across broader purpose of

ASC prevention and push back on NHS view of IPT all being about reducing DTOCs.

- Members stated that we should consider the LGA's links with the Department of Work and Pensions.
- Members discussed and considered an insurance type system, as well as a reputational risk (based on reactions to the Green Papers national proposals).
- Members discussed the need to show central government what local government have to offer.
- Members agreed that money is not the only problem in relation to ASC, and that public spending is not always used to best effect. Members stated the need to explore other elements – such as housing, obesity, personal responsibility, healthy lifestyles, which are all key.
- Members discussed the Japanese ASC model, and felt Japan and some other countries had approached positively to get people on board.
- Members discussed that 40 per cent of health outcomes due are to health behaviours and 45 per cent are due to housing and environmental factors, and so primary prevention is vital.
- Members stated that there needs to be a robust communications plan, including targeting MP's, as getting the message across to them is key.
- Members suggested linking in other government departments, such as the Department for Transport (regarding rural transport) and the Home Office (regarding fire home safety programmes). Members agreed that this is a cross-government issue and that the Green Paper needs their contributions.

Sarah stated that the Secretary of State for Health and Social Care was in support of the LGA's Green Paper, and that consultation would be underway in the coming weeks.

The Chair stated that the real issue regarding funding being raised locally is being used to address care needs of the small proportion of population in local areas and that this is stretched to its limits. The Chair agreed that a robust programme of communications and lobbying is needed.

The Chair thanked members for their comments.

Action

- **Members noted the update.**

40 The Gender Pay Gap in Local Government

The Chair invited Jon Sutcliffe, Senior Adviser, to introduce the item.

Jon stated that the paper presents a summary of analysis of the data on the gender pay gap recently made available by the Government Equalities Office, based on mandatory reporting for medium-sized and larger

organisations.

Despite data limitations, Local Government overall comes out of the consultation reasonably well. Jon stated that there is an opportunity to present a good message on progress and also highlight the type of support and advice that the LGA is able to give to Councils to help them continue to address any gender pay gap issues.

Jon went on to state the team would like an indication from members of support for the idea of a 'member champion on equality diversity issues'. Jon stated that this signals to other organisations that the LGA is taking diversity and the gender pay gap seriously.

The Chair thanked Jon for the update and welcomed members comments:

- Members welcomed the idea of a member champion, but stated this should be deferred until the new board cycle of 2018/19.
- Member requested more information regarding the roles jurisdiction and responsibilities.

Action

- **A new Member Champion for Diversity and the Gender Pay Gap to be selected in the 2018/19 board cycle.**

41 Workforce Update

The Chair invited Jon Sutcliffe, Senior Adviser, to introduce the item.

Jon updated members that the report sets out the key workforce policy developments that have taken place since the last board meeting. The paper sets out updates on each pay negotiations for:

- Local Government Services;
- Firefighters;
- Schoolteachers;
- Soulbury;
- Youth and community workers;
- Chief Executives and Chief Officers;
- Reform of public service exit payments; and
- Apprenticeships.

Jon stated that the LGA's Workforce team continue to work on a direct basis for a number of councils on senior team restructuring, appointments, rewards and disciplinary investigations. Jon indicated that an update on public sector exit payments will be provided once the Government begins its consultation

The Chair invited Members to comment:

- Members discussed public views and scepticism regarding pay offers.

The Chair thanked Members for their comments.

Action

- **Members noted the report.**

42 Local Government Mutual Update

The Chair invited James Alexander, Lead Adviser – New Local Government Mutual, to introduce the item.

James stated that the paper provides an update on the LGA's work with councils to develop a Local Government Mutual. Currently, the LGA is ownership of the New Mutual, which will change in due course when the co-founders formally join.

Bids for venders is currently in progress. James stated that this has been a very robust process; four potential suppliers came forward, with the Mutual receiving three bids in total. These have been shortlisted to two bids, with the Founding Members due to reach a decision in the coming months.

The Chair invited members to comment:

- Cllr Marland, a representative of the one of the Founding Members, gave feedback to the Board. He stated that the Founding Members are happy to endorse the papers proposals for the 2018/19 Budget.

The Chair thanked members for their comments.

Action

- Members of the Resources Board agreed the 2018/19 Budget.

43 Welfare Update

The Chair invited Rose Doran, Senior Adviser, to introduce the item.

Rose stated that the paper provides a brief overview of the Governments progress on the roll-out of Universal Credit (UC), and the LGA's current related work regarding welfare reform.

Rose brought attention to two pieces of research commissioned by the LGA:

1. Policy In Practice; this aims to undertake a dynamic modelling of UC employment impacts on three local authorities.
2. Centre for Responsible Credit (in collaboration with the University of Brighton); this research scoped out a local approach to 'reshaping financial support'.

Rose stated that this research will be discussed further in the 2018/19

board cycle. Rose also stated that she has a further in-depth information pack regarding the rollout of UC and would send this to any Members wishing to receive this.

Rose also drew attention to paragraph 31 of the report, which highlights the future work programme for welfare reform.

The Chair thanked Rose for her update and welcomed members to comment:

- Members stated that UC is a strong idea, but has been poorly implemented. This includes a poor service for claimants.
- Members stated that government need to invest more into the rollout of UC.
- Members stated that the government needs to recognise the important role local government plays in UC and working with claimants.
- Members agreed to the future work programme.
- Members pointed out that when claimants have issues with UC, they approach council services, and not the Department of Work and Pensions (DWP). Therefore, more funding to local government needs to be made to address this issue.
- Members pointed out the more centralised the DWP becomes, the more this impacts the NHS and ASC.

The Chair thanked members for their comments.

Action

- **Members agreed to the future work programme.**
- **Members noted the report.**

44 Sample Case Study from 'Reshaping Financial Support'

45 LGA submission: Work and Pensions Committee Universal Support

46 Contributions of Student Populations toward Local Public Services

The Chair invited Aivaras Statkevičius, Senior Adviser, and Alex Thomson, Principal Policy Adviser, to introduce the item.

Officers stated that the report sets out a number of options that could enhance the financial contributions students, landlords of student accommodation and Higher Education Institutes (HEI's) make toward local public services and seeks member direction on which options could be adopted to amend LGA policy on the matter.

Officers also stated that the paper has been discussed with members of the LGA City Regions Board and the LGA People and Places Board at their June meetings and provided a verbal update on the outcome.

Officers said that policy preferences expressed by the three boards on preferred financial policy measures regarding students, landlords of

student accommodation and the higher education sector would be collated. Lead Members of all three Boards would be updated on this at their fiscal devolution seminar in July 2018 and members of the Resources Board will receive an update at a future meeting of the Board.

The Chair thanked officers for the update and invited members to comment:

- Members overwhelmingly agreed that they do not wish to tax students and supported the retention of the LGA's existing position of seeking flexibilities in local taxation in a broad sense.
- Members also agreed that students bring more economic value to local areas than any sort of local tax.
- Members made reference to student accommodation use outside of term-time and suggested this could be explored further.
- Members did discuss some form of compensation to local government for students in their areas, but agreed this cost does not lay with the students.

The Chair thanked members for their comments.

Action

- **Members noted the report.**

47 Spending Review 2019 - High Level Proposals

The Chair invited Aivaras Statkevičius, Senior Adviser, and Eleanor Taylor, Communications Officer, to introduce the item.

Officers stated that the report summarises high level messaging the LGA Leadership Board and Executive agreed to adopt in the LGA's 2019 Spending Review (SR) work, and LGA work underway in advance of the SR.

The Chair thanked officers for the update and welcomed members to comment:

- Members highlighted the fact that some councils were facing 'negative revenue support grant' in 2019/20 and the impact of this.
- Members agreed that the messaging needs to be personal, and detail the direct impact the funding situation has on residents. Members agreed that this work also needs to report on what residents see and their experience, rather than solely looking at large figures and the impact on institutions.

The Chair agreed and stated that a human point of view will resonate further with government.

The Chair thanked members for their comments.

Action

- **Members noted the report.**

48 Key Assumptions and Outline Results of the Funding Gap 2025 Analysis

49 Expected High Level Milestones in the run-up to the Spending Review

50 EU Funding and Successor Arrangements

The Chair invited Paul Green, Adviser, to introduce the item.

Paul stated that the report provides an update of LGA work to ensure local areas receive the maximum amount of EU funding during the current funding period (2014 – 2020).

Paul outlined that the LGA have pushing Government for more details surrounding the UK Shared Prosperity Fund (UKSPF), its implementation and structure. He outlined that the LGA had been campaigning for successor funding arrangements are in place and are co-designed with local areas once EU funding has ended in December 2020. He updated members that the government will be holding pre-consultation roundtables with different regions in the UK in July and September.

The Chair thanked Paul for the update.

Action

- **Members noted the report.**

51 Update on Capita - verbal update

Item 12. Update on Capita - verbal update

The Chair invited Susan Attard, Head of Productivity, to introduce the item.

Susan stated that the LGA had held discussions with Capita's CEO and a number of councils who have large scale contracts with Capita for a range of services. The key messages to Capita were:

- Service delivery – to deliver at pace on existing contracts.
- Improvement in communications and technology.

Susan stated that these messages were received well by Capita, and that they will develop a single point of contact for each council to improve communications. However, Susan stated that councils are still communicating that things have not improved.

Members thanked Susan for her update and invited Members to comment:

- Members stated that this was not just Capita, and that other public such as G4S and Serco were also under-delivering.
 - Susan stated that her team is proactively monitoring a number of contractors and liaising with councils regarding their contingency arrangements.

The Chair thanked members for their comments.

Action

- **Members noted the update.**

52 End of Year Report

The Chair invited Sarah Pickup, Deputy Chief Executive, to introduce the item.

Sarah stated that the report was in two parts:

- Part one of the report outlined the achievements against the board's priorities set at the first Board of 2017/18; and
- For Members to note the boards proposed priority areas for 2018/19.

The Chairman thanked Sarah for the update.

Action

- **Members noted the report and agreed to the 2018/19 board priorities.**

53 Note of last Resources Board

Members agreed to the note of last Resources Board meeting on 5 April 2018.

Appendix A -Attendance

Position/Role	Councillor	Authority
Chairman	Cllr Richard Watts	Islington Council
Vice-Chairman	Cllr John Fuller	South Norfolk District Council
Deputy-chairman	Cllr Claire Hudson	Mendip District Council
	Cllr Clive Woodbridge	
Members	Cllr Philip Atkins OBE	Staffordshire County Council
	Cllr Hilary Carrick	Cumbria County Council
	Cllr Roger Phillips	Herefordshire Council
	Cllr Byron Rhodes	Leicestershire County Council
	Cllr David Williams	Hertfordshire County Council
	Cllr David Finch	Essex County Council

Cllr Rishi Shori
Cllr Sian Timoney
Cllr Peter Marland
Cllr Adam Paynter

Bury Metropolitan Borough Council
Luton Borough Council
Milton Keynes Council
Cornwall Council

Apologies

Cllr Sharon Taylor OBE
Cllr Tom Beattie

Stevenage Borough Council
Corby Borough Council

In Attendance

LGA Officers