

14 September 2018

## **Resources Board Priorities and Work Programme 2018/19**

### **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.

### **Recommendation**

That Members of the Resources Board agree its priorities and work programme for the 2018/19 meeting cycle.

### **Action**

Officers to take any actions as required.

**Contact officers:** Sarah Pickup  
**Position:** Deputy Chief Executive  
**Phone no:** 0207 664 3109  
**E-mail:** [Sarah.Pickup@local.gov.uk](mailto:Sarah.Pickup@local.gov.uk)

## **Resources Board Priorities and Work Programme 2018/19**

### **Background**

1. The Local Government Association's (LGA) Boards engage with and develop a thorough understanding of councils' priorities in relation to their particular programme area. They also help shape our business plan and, through extensive engagement with councils, oversee programmes of work that deliver the strategic priorities set by the LGA Executive.
2. The LGA's Resources Board shapes and develops the Association's policies and programmes in line with the LGA priorities in relation to: Local Government Finance; Welfare Reform; EU Funding; and Workforce.
3. At this first meeting of the Resources Board for the 2018/19 meeting cycle, members are asked to consider the policy priorities for the work programme for the coming year. In making these decisions, members are asked to consider specific policy priorities based on the remit of this Board, as well as the wider priorities of the LGA.

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

4. This report sets out a suggested work programme for the Board that 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.

### **Workforce**

5. This work stream is organised into three strands: pay and negotiations support; pension policy and strategic workforce issues.

#### Pay and Negotiations

6. Continue to support councils in obtaining value for money in their pay bill by negotiating fair and affordable pay agreements, covering a wide range of negotiating bodies.
7. Complete the work of implementing the new pay structure for Local Government Services.
8. Complete work on broadening the role of firefighters through a longer term pay agreement
9. Continue to coordinate responses to consultation on changes to employment law and regulations.

#### Pensions

10. Combining the £200 billion assets of the 88 pension funds in England and Wales into seven or eight pools ensuring that there is no reason for the Secretary of State to intervene in investment matters.

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11. Local Government Pension Scheme (LGPS) to be a leading player in the implementation of cost transparency across the entire institutional investor space. We are also focused on implications for exit payment reform on LGPS and outcome of scheme cost management process.

#### Workforce Strategy

12. Continue to advise and assist councils in modernising their approaches to organisational design, pay and rewards and other workforce development issues.
13. Complete publication and introduction of refreshed local government workforce strategy to support modernisation.
14. Focus on workforce issues arising from public service reform and revised workforce strategy priorities, for example providing support to the sector on the gender pay gap and improving diversity in senior roles.
15. Continue to provide support to councils to address skills gaps and skill shortages issues, focusing on apprenticeship levy access and delivering a new set of the 'Return to' campaigns.
16. Focus on support for councils needing to improve their HR services.
17. Continue to review and enhance our chargeable support offer.

#### **Local Government Finance**

##### Spending Review 2019

18. Working with other Boards develop and deliver a high profile campaign and reports in advance of the 2019 Spending Review that makes the case for adequate resources for local government and the additional freedoms and flexibilities needed.
19. This is a high priority for the LGA.

##### Business Rates Retention and Fair Funding Review

20. A long-term work programme looking at issues such as securing extra business rates, designing the retention system, managing risks and incentives.
21. This is high priority work for the Local Government Finance Team. This work is being led by the Business Rates Retention and Fair Funding Review Task and Finish Group, Leadership Board and Executive.
22. Focussing on ensuring the Government conducts its Fair Funding Review in an open, transparent and timely fashion with all parts of local government having an opportunity to provide evidence and state their case. The results of the review will contribute towards setting individual local authority funding levels in the next decade.

23. This is a priority for the LGA. This work is being led by the Business Rates Retention and Fair Funding Review Task and Finish Group, Leadership Board and Executive.
24. The Chair of the Resources Board chairs the LGA's Task and Finish Group on Business Rates Retention and the Fair Funding Review.

#### Other Business Rates Issues

25. Focussing, in the most part on, changes to the appeals system including: Check, Challenge and Appeal; more frequent revaluations, digitalisation of valuation; and other issues such as flexibility around reliefs and business rates avoidance. Given the impact of these changes on local authority income this work is a priority.

#### Local Government Finance Settlements

26. Analysis of the annual local government finance settlement, on the day briefing, responding to the consultation/s, parliamentary work and the LGA's annual finance conference.

#### Local Government Finance Contributions to set pieces

27. Autumn Budget submission and on the day briefing/s.

#### Capital Financing

28. To influence thinking and formulate policy improvements to suggest to Government in the area of financing capital and infrastructure, and to contribute to national reviews of capital finance.

#### Other Finance Policy

29. Influence thinking, formulate policy and respond on behalf of the local government sector to other ad hoc financial consultations and reports that impact on local government, including but not limited to, accounting practices, audit policy, Treasury management, tax, and investments.

#### Contribute to wider LGA Objectives

30. Provide local government finance support to other Boards on service-specific issues.

#### Local Government Mutual

31. The Chair of the Resources Board will chair the group of Founding Members overseeing the establishment of the new Local Government Mutual and will represent the LGA on the group. The Board will steer the LGA's stance as the first founding member of the mutual.

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### **EU Funding**

32. The Board's two priorities for 2018/19 will be to take forward a strong ask to the new government that EU funding successor arrangements under the proposed United Kingdom Shared Priority Fund (UKSPF) should enable an ambitious reworking of all local regeneration funding into a single pot arrangement, that affords maximum flexibility to target need and tailor support where it has best impact. The second priority is to ensure that current EU funding is fully spent until 2020, and any issues arising.

### **Welfare Reform**

33. Build on the 2017 review of Housing Benefit (HB) administration costs and repeat the exercise for 2018/19. Continue to press for councils to be fully funded, particularly in light of the August 2018 announcement in relation to the retention of Supported Housing in HB.
34. Continue to ensure that all challenges arising from the implementation of Universal Credit are recognised and funded, and that councils have both the information and the funding to support claimants, particularly in relation to 'managed migration' of claimants on legacy benefits from July 2019.
35. Build on this year's scoping project on 'reshaping financial support' to deliver a range of local best practice pilots on integrated support for low income households.
36. Ensure that the LGA's work on welfare reform is effectively integrated with work on housing, employment and health and continue to press Government for a more integrated approach to improving life chances and promoting social mobility.

### **Financial implications**

5. This programme of work will be delivered with existing resources. Additional supporting projects may be commissioned subject to funds being available from a directorate / team budget.