

16 January 2012

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Update on current issues

Purpose of report

For information / noting.

Summary

This report updates Members on current issues of interest to the Board which are not covered elsewhere in the agenda. Updates are included on:

- The Autumn Statement and Provisional Local Government Funding Settlement 2013-14 and 2015-16
- Superfast Broadband
- Libraries

Recommendation

Members are asked to note the update.

Action

Secretariat / cCLOA Advisory Panel as appropriate

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Update on current issues

Autumn Statement and Provisional Local Government Funding Settlement 2013-14 and 2014-15

1. The provisional local government funding settlement was announced on 19 December and confirms that local government continues to bear the brunt of public spending cuts in this Spending Review period. The Autumn Statement promises that cuts will continue at least until 2018.
2. Whilst it is pleasing our campaigning has resulted in councils being protected from additional cuts next year, within the context of on-going pressures to key service areas such as adult services and waste collection, the extra two per cent cut in 2014-15 is unsustainable to local government.
3. It is generally recognised that councils have managed the cuts so far by maximising efficiencies and redesigning services. With further cuts on the horizon, this will be impossible to repeat, and impacts on the local frontline services that residents rely on and value - such as libraries, sport facilities and cultural attractions - are inevitable.
4. LGA briefing on the provisional local government funding settlement:
http://www.local.gov.uk/c/document_library/get_file?uuid=040e5017-0ec4-49fe-8461-3a2c5b9cf9c6&groupId=10171.
5. LGA briefing on the Autumn Statement:
http://www.local.gov.uk/web/guest/media-releases/-/journal_content/56/10171/3811639/NEWS-TEMPLATE
6. There were several other announcements in the Autumn Statement that are relevant to the work the CTS Board leads:
 - 6.1 Department for Culture, Media and Sport (DCMS) budget – DCMS's resource budget will reduce by one per cent in 2013/14 and two per cent in 2014/15. This cut has been passed on to most DCMS funded bodies, including Arts Council England (ACE) and Sport England. ACE has already warned of the potential impact on frontline arts provision. This further underlines the importance of a strong improvement partnership with LGA, as well as continuing to promote the role of the arts in driving local economic growth. Some funding, such as for elite athletes, has been protected.
 - 6.2 Skills – the LGA welcomed the Chancellor's announcement that Local Enterprise Partnerships (LEPs) will have a new strategic role in skills policy which will oblige further education colleges to take account of LEP priorities. The devolution of skills is a long-standing LGA position and should enable areas that have prioritised the visitor economy to ensure that education providers provide learning opportunities that will meet the workforce needs of the tourism industry.
 - 6.3 Urban Broadband – a second wave of cities will share £50 million of government funding, subject to state aid clearance (see below for LGA response).

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- 6.4 Visitor economy - the GREAT campaign, which markets the UK globally, will receive an additional £22 million investment for 2013-14, up from £8 million announced in August. It is essential that this additional funding is aligned as appropriate to local destination's marketing plans.

Superfast Broadband

Rural Programme

7. It is good news that the European Commission has finally granted state aid clearance for the rural superfast broadband programme. This means that the 46 councils in the programme can get on and aim to complete procurement by July 2013. State aid clearance was the real barrier to the rollout – not the planning system. The LGA continues to oppose the relaxation of planning restrictions over the installation of broadband infrastructure in the Growth and Infrastructure Bill. The proposals will take the right away from people to have a say over six-foot high junction boxes outside their windows and gardens or poles and wires festooning their streets. Clause 7 of the Growth and Infrastructure Bill potentially opens the way to removing all democratic planning control from any telecoms infrastructure and we are seeking urgent reassurance from Ministers.
8. The LGA also continues to urge Broadband Delivery UK to make available information and benchmarking data that will help councils to ensure competitive deals are struck in a near-monopoly supply chain.

Urban Programme

9. The government has announced a second wave of cities who will receive a portion of £50 million to help bring ultra-fast broadband to businesses and residents. The English cities are: Brighton and Hove, Cambridge, Coventry, Derby, Oxford, Portsmouth, Salford and York.
10. They join the 10 cities in wave one of the programme – Manchester, Birmingham, Bristol, Belfast, Newcastle, Leeds and Bradford (joint), Edinburgh, Cardiff and London.
11. Both waves of the programme depend upon the government securing state aid clearance from the European Commission. The LGA is pressing Ministers to do all they can to secure clearance as soon as possible to keep the programme on track.

Libraries

Chartered Institute of Public Finance and Accountancy (CIPFA) Annual Library Survey

12. CIPFA has published its latest Annual Library Survey. The survey revealed that councils are doing their best to ensure that as much of the library service as possible is protected from budget pressures – although the amount of money councils spend on libraries fell by nine per cent, there was only a four per cent reduction in service points, access to computer terminals was broadly flat and visits were down by two per cent.
13. The LGA responded by highlighting that councils know people treasure their libraries and have been working extremely hard to preserve services as best they can in the face of 28 per cent funding cuts. It is testament to this commitment and innovation, and to councils'

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reluctance to make closures, that only four per cent of our 4,500 libraries have closed in the past year.

14. As the Culture, Media and Sport Committee reported last month, across the country there is a fantastic amount of creativity and ambition to modernise libraries in ways which engage young people, don't alienate existing users and make the most of diminished budgets. In the last couple of years we have seen libraries opening up in village halls, pubs, shops, churches, day care centres and tourist information centres, as well as linking with health, social care, benefits and job search providers.
15. However, we also warned that were government to inflict yet more funding cuts on councils, which have already borne the brunt of its austerity measures, some would not be able to continue shielding libraries from cuts which may mean more would be forced to close.
16. CIPFA followed-up the annual survey by publishing comparative library profile reports that compare each authority to 15 similar authorities across a wide range of indicators, including:
 - 16.1 library usage;
 - 16.2 financial information;
 - 16.3 levels of staffing;
 - 16.4 the number of volunteers;
 - 16.5 loans figures;
 - 16.6 stock levels; and
 - 16.7 book acquisitions.
17. The reports were commissioned by DCMS and are freely available to councils for one-year. The LGA is encouraging DCMS to align the profiles with LG Inform, which is the single repository for all local government data to help councils improve service delivery.