
Executive Advisory Board: Supplemental Agenda

Thursday 10 March 2022

2.15 pm

Beecham Room 7th Floor, 18 Smith Square, London, SW1P 3HZ

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Key current issues - LGA Lobbying Headlines 10/03/2022

- **Ukraine** – Councils both wish to publicly show their support for Ukraine and also support their communities to find clear means of offering immediate support and assistance. Councils, as ever, remain keen to help new arrivals settle in their communities via the recently expanded humanitarian visa scheme. The LGA and councils across the UK want to work with government to co-design and deliver effective and speedy support pathways which keep people safe and meet their needs, building on all the learning from previous schemes. We are working with government to share key messages from councils: the need for data around established communities, clear communications, a long term, effectively funded, regionally based and equitable approach; and the need to rapidly find solutions to cumulative pressures in other schemes. More information on these is given below.

In addition, councils are facing several internal issues. Cyber security remains a concern during this time of heightened cyber risk. Councils are being advised to follow the advice given by the National Cyber Security Centre (NCSC), use the NCSC free tools and services, and review their plans for dealing with a cyber-attack. Councils are also raising existing links such as twinning with Ukraine and Russian cities; and establishing a view on contracts and investments, including around energy supply and pension funds, with Russian firms and individuals. Councils will be supporting staff and communities both indirectly and directly affected. As leaders of place, councils will also focus on potential issues around cohesion across their communities, the impacts of potential cost of living rises on individuals, families, and on community resilience, and risks around potential escalation of the conflict.

- **Living with Covid** – Councils continue to manage multiple pressures across various services, including critical staff shortages as infection rates remain high, and support is needed to help local communities recover. We remain concerned about the sector's ability to meet the current demand for mental health services because of the pandemic. With the move towards the Living with Covid Plan, we are seeking clarification on what local provision will still be needed, and what funding will be available to support it.
- **LG Finance** – Additional funding in the Spending Review and confirmed for 2022/23 in the final local government finance settlement will help keep services at the 2019/20 level of quality and access but does not address pre-existing pressures such as the adult social care provider market and overspends in children's social care. Our analysis suggests the increases to core spending power projected by the Government in the 2021 Spending Review, including all councils increasing council tax to the maximum, will fall short of meeting forward pressures by more than £1bn in the last year of the Spending Review period. Following the settlement, we are pushing the Government to provide clarity on local government finance reforms such as the Fair Funding Review, business rates reset and the New Homes Bonus and ensure no authority loses out from the Fair Funding Review.
- **Levelling Up, UKSPF and Devolution Deals** – We are pleased that the new devolution framework unveiled as part of the Levelling Up White Paper will apply to all local areas and will not impose a one-size-fits-all approach to governance. We are keen that this 'local first approach' should apply to each Whitehall department and look forward to discussing this and other issues arising from the White Paper with the Minister for Levelling Up, the Union and the Constitution at the Executive Advisory Board. We have begun discussions with Whitehall officials on other issues of concern to local government, including the UK Shared Prosperity Fund; the new independent body relating to data transparency; funding simplification and our government-funded support offer.
- **Adult social care** – We remain concerned that the funding allocated for the Government's adult social care reforms – in particular, the 'fair rate of care' and action to address the self-funder cross-subsidisation of care costs – is likely to be inadequate, risking the delivery of the reforms as well as further exacerbating existing pressures and wider under-funding of care and support. We have

raised these concerns with Ministers and officials and want to discuss options to manage pressures and public expectations. There is a risk that the public may experience worsening social care services alongside rising council tax and the new national insurance levy. On the linked agenda of adult social care assurance, lead members of our Community Wellbeing Board met with officials from DHSC and CQC to set out our concerns with some aspects of the oversight agenda. These will be followed up in writing to the Minister.

- **Fragility of children's services** – There is significant pressure on placements for children in care, in particular those with the most complex needs, which is being exacerbated by changes to legislation on placements for children aged 16 and under and ongoing high numbers of UASC arrivals. Workforce pressures are also causing significant challenges, while recent tragic cases are anecdotally driving increased referrals. We are in regular contact with the DfE to identify short term actions to be taken and working with the Competition and Markets Authority and Independent Review of Children’s Social Care to seek longer-term solutions.

Other issues of immediate importance for the sector

Health reforms

The LGA welcomes the values and ambition underpinning the integration white paper, putting people and communities at the centre of integration policy to ensure that everyone gets the right care in the right place at the right time to achieve better health and care outcomes. But achieving the scale of ambition set out in the White Paper will require substantial and long-term commitment not only from Government but from local government and NHS leaders at every level.

The proposals for strengthening the levers of integration – leadership and accountability, financial frameworks, digital technology and data sharing, and workforce planning and development – are ambitious and will require major investment and support from national partners. The LGA will continue to work closely with Government to support place leaders to drive the integration agenda. We will also work with Government to identify the resources and support needed for effective integration at place, and for joint working between local “place” and larger scale “system”.

Asylum and resettlement

Pressures caused by asylum dispersal remain extremely acute, particularly around the emergency use of hotels and we remain keen to work with Government and councils to explore solutions around equity, funding and coordination. Unaccompanied children are now being placed under the new mandated national transfer scheme, with councils flagging ongoing issues around placement capacity, data flow and age assessment. We continue to push for systematic engagement with local Government, better data and swifter matching for Afghan families to support quicker moves from hotels into permanent accommodation.

Public health and health protection

The lack of an increase in funding for public health remains a significant concern. We need a clear long-term plan that recognises the public health challenges we face as a country, addresses the current and future pressures on the public health workforce and recognises links with other parts of the health and care system. Councils also need urgent clarity on whether outbreak management funding will be extended beyond March to support the transition to living with covid.

Climate change and the Environment Act

We are trying to ensure that climate change remains a high priority in Government. This is at a time when we know Government is under pressure from factions in parliament concerned about the costs of addressing climate change. We are working with Government to establish the new local/central forum on NZ to deliver the national ambitions of the Net Zero Strategy and lead adaptation in communities. This will build on LG successes at COP26 when the LGA and international lobbying secured recognition for the vital role of local Government in delivering net zero. In addition, the Environment Act is now law, introducing a range of significant measures, most of which need secondary legislation and policy.

Council intervention

In the last 18 months, we have seen an increasing number of councils subject to either statutory intervention by Government or non-statutory intervention in councils such as Nottingham and Croydon.

Although the number is still minimal, it potentially illustrates a shift in the Government's approach. LGA officers continue to discuss the situation with their counterparts in DLUHC.

Decision making

The inability to meet virtually undermines the resilience of local decision-making and is impacting councils' ability to hold essential budget settings meetings. We are asking the Government to reinstate the option for council meetings to take place virtually or in a hybrid manner as soon as possible.

Longer-term issues

Addressing inequality and disadvantage	Councils are increasingly concerned about the impacts of the 'cost-of-living' pressures. We are working with the Government on the implementation of its £150 energy rebate to households in council tax bands A-D, as well as additional discretionary funding for other households. We urgently need firm policy commitment and sustainable resources for councils to provide a consistent, preventative approach to reducing socioeconomic disadvantage and promoting financial resilience
Civility in public life	We are seeking evidence of abuse and intimidation of councillors. Our online campaign will call for improved support from the police and improved online safety.
Homelessness	We are now seeking an explicit, national-level focus on homelessness prevention work and an associated funding regime that enables and encourages councils to avoid residents reaching crisis and reduces demand for emergency responses.
Planning reforms	The next stage of the reforms are likely later in the year. We want to ensure local plans remain the main tool for decisions on future development and land use; democratic decision-making is retained; sufficient land value uplift is captured to meet infrastructure requirements; incentives are in place to build developments in a timely fashion and the planning system, and transition to a new system, is properly resourced.
Housing	Recent reforms to the Right to Buy system have been helpful, but more can be done. We are pressing for a programme to build more social housing to boost the economy and tackle the shortage of housing where the need is greatest.
HRA	The proposals to make developers pay for the remediation of dangerous buildings could have profound implications for some councils depending on how 'developer' is defined, especially given the lack of any support for remediation of social housing. We are working with Government to raise concerns that there will be trade-offs in delivery unless additional funding is provided, or councils have powers to raise extra income.
Environment & development	There are growing local concerns about tensions between national policy (Natural England) to protect the environment and the planning system.
Children and young people	We are seeking a cross-government strategy for children and young people. We are working to influence the Josh McAlister review of Children's Social Care and calling for that to link with the SEND review and school's reforms.
Education	With the Education White Paper expected soon, we are pushing for councils to have sufficient powers to fulfil their education duties in a fully academised system, specifically on place-planning admitting 'hard to place' pupils, as well as being able to set up their own multi-academy trusts.
SEND	We are calling for the SEND review to develop an outcome focussed relationship between councils and schools in the provision of high needs funding, increasing mainstream inclusion, value for money when commissioning places in the independent and non-maintained special school sector and making it easier to 'step down' EHCPs.
EV charging infrastructure	The LGA has responded to Office for Zero Emissions Vehicles (OZEV) consultation on whether there should be a statutory obligation to plan and deliver EV charging infrastructure, including a duty on councils. Our <u>submission</u> says that we do not believe a statutory obligation on councils is the right approach, and any duty placed on councils may expose unnecessary risks and costs. We had a positive meeting with the OZEV minister in late Nov.
Culture, tourism and sport	The viability of the public leisure sector remains a concern and we are working with partners to increase Government awareness of the challenge. We have

	launched a <u>Culture Commission</u> to explore and articulate the role that council culture services and funding bring to the cultural and creative sector, and the impact on communities.
Workforce capacity	We are lobbying government on a range of short- and medium-term workforce capacity issues including key posts we are unable to fill, meeting additional demand and recruitment to senior and entry level posts.

Other Improvement Issues

The LGA continues to deliver the 2021/22 sector support programme and continues to make very good progress in achieving all sector support targets at the end of quarter 3. Councils are reminded that they have till 11 March to opt-in to the national procurement exercise for external audit that is being led by Public Sector Audit Appointments (PSAA). PSAA is a company created by the LGA.

Note of last Executive Advisory Board meeting

Title: Executive Advisory Board
Date: Thursday 27 January 2022
Venue: Online via Microsoft Teams

Attendance

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

Item	Decisions and actions
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1 **Declarations of Interest**

There were no declarations of interest.

2 **Lobbying Headlines**

Mark Lloyd, Chief Executive, introduced a report summarising the LGA's lobbying headlines. Sarah Pickup, Deputy Chief Executive also contributed with updates on Health and Social Care. In particular, Mark brought attention to the impact of the Omicron variant and the winter pressures affecting councils, including the impact on services, budgets, decision making and ability to provide support to residents.

Also highlighted were the LGA's lobbying work on local government finance, the Adult Social Care and Integration white papers, Public Health funding, asylum and resettlement as well as the Levelling Up, UKSPF and Devolution agendas.

In the subsequent discussion, Members made the following points:

- Concerns were raised about the childrens' social care workforce, use of private agencies, a potential recruitment crisis, and safeguarding issues
- Concern was expressed about the impact of self-funders accessing social care at local authority rates and the financial impact on councils.
- There were calls for the LGA to lobby further for political and democratic leadership on Integrated Care Boards.
- A view was expressed that any intervention by Government in a Council must be proportionate, necessary and evidence based to ensure integrity of the sector led improvement system.
- A view was expressed that an extension of the bus recovery grants would be needed to prevent a collapse of routes and services.
- Concerns were raised about the lack of standardisation in the Electric Vehicle charging networks across the county.
- A view was expressed that elections would need to modernise in order to maintain democracy.

In response to these comments Mark Lloyd thanked Members and reassured them

the LGA would continue to make these points to Government. Mark gave assurances that the LGA's Improvement work was focused on ensuring that intervention would be less necessary and that it would be shaped by the sector where it was necessary. Mark confirmed that a cross party working group on the Elections Bill had been established to work through the LGA's lobbying lines.

The Chairman gave feedback that he had met with the Minister for Afghan Resettlement regarding information and data sharing with local authorities.

Decision

The Executive Advisory Board **noted** the report.

3 Online Safety Bill

The Chairman invited Louise Smith, Senior Adviser, to introduce the Online Safety Bill report which proposed policy positions additional to those set out in the evidence the LGA had previously submitted on the Draft Bill.

Decision

The Executive Advisory Board **agreed** the proposed policy positions summarised in paragraph 10 of the report.

Action

Policy positions agreed by members would be used to inform lobbying on the Online Safety Bill going forward.

4 Local Government Finance Settlement

The Chairman invited Cllr Wenham, Vice Chairman of the Resources Board, to introduce the report summarising the work of the LGA on the Provisional 2022/23 Local Government Finance Settlement and information on the Spring Statement / Budget.

Cllr Wenham provided a summary of the provisional settlement.

- There was a potential increase of 6.9% in Core Spending Power in 2022/23, assuming all local authorities raised council tax by the maximum allowable limit without a referendum.
- This amounted to a core principle increase of 2%, with the higher of 2% or £5 for shire districts and an additional 1% adult social care precept (along with any unused flexibility from the previous year).
- Some grants increased by inflation, others were cash flat and there was £1.5 billion of new money comprised of:
 - a new social care grant for adults and children's services.
 - A one-off, unringfenced, Services Grant
- The Government had not yet announced public health grant allocations.

Local Government Finance reform

- The Government said it was committed to ensuring that the assessment of needs and resources was up to date and would work with the sector on this however it was unclear whether this referred to data and the formulae.
- There was no mention of the future of new homes bonus reform, further business rates retention or the business rates reset at the settlement.
- However, the Secretary of State said that he thought that a system of 75% business rates retention would go against the principle of levelling up in a session of the Communities, Housing and Local Government Select Committee in November 2021.

Decision

The Executive Advisory Board **noted** the update.

Action

It was planned that a letter would be sent to the Chancellor ahead of any future Spring Budget/Statement, to be signed off by the Chairman and Group Leaders. This approach would be kept under review in case the need for fuller policy submissions becomes more appropriate.

Officers would proceed with the delivery of the LGA's work on local government finance.

5 Decisions and actions from the previous meeting

The Executive Advisory Board agreed the minutes of the previous meeting held on Thursday 9 December 2021.

Appendix A - Attendance

Position/Role	Councillor	Authority
	Cllr James Jamieson (Chairman)	Central Bedfordshire Council
	Cllr Nick Forbes	Newcastle City Council
	Cllr Izzi Seccombe OBE (Vice Chairman)	Warwickshire County Council
	Cllr Joe Harris (Vice-Chair)	Cotswold District Council
	Cllr Marianne Overton MBE (Vice-Chair)	North Kesteven District Council
	Cllr John Fuller OBE	South Norfolk District Council
	Cllr Teresa O'Neill OBE	Bexley Council
	Cllr Robert Alden	Birmingham City Council
	Cllr Peter Fleming OBE	Sevenoaks District Council
	Cllr David Renard	Swindon Borough Council
	Cllr David Fothergill	Somerset County Council
	Cllr Nick Forbes CBE	Newcastle upon Tyne City Council
	Cllr Michael Payne	Gedling Borough Council
	Cllr Georgia Gould	Camden Council
	Cllr Tudor Evans OBE	Plymouth City Council
	Cllr Shabir Pandor	Kirklees Metropolitan Council
	Cllr Nesil Caliskan	Enfield Council
	Mayor Marvin Rees	Bristol City
	Cllr Bridget Smith	South Cambridgeshire District Council
	Cllr Gerald Vernon-Jackson CBE	Portsmouth City Council
	Cllr Paul Woodhead	Cannock Chase Council
	Cllr Hannah Dalton	Epsom and Ewell Borough Council
	Cllr Chris Poulter	East Midlands
	Cllr Graeme Miller	North East of England
	Cllr Tim Oliver	CCN
Apologies:	Cllr Shaun Davies	Telford and Wrekin Council
	Cllr Nicholas Heslop	South East Councils
	Cllr Antoinette Bramble	Hackney Council