

# Agenda

# **Executive Advisory Board: Supplemental Agenda**

Thursday 20 July 2023

2.15 pm

Online via Teams

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### LGA Lobbying Headlines

#### **Critical issues**

Financial and service pressures – In the final 2023/24 Local Government Finance Settlement, the Government confirmed a £5.1 billion or 9.4 per cent increase in Core Spending Power for local authorities, including assumptions about increases in council tax. Despite this our recently published funding gap analysis shows the cost to councils of delivering their services at current levels will exceed their core funding by £2 billion in 2023/24 and £900 million in 2024/25. The analysis excludes the resources needed to address existing underfunding in areas such as the adult social care provider market, children's social care and homelessness, nor does it include funding to improve or expand council services. Concerns about growing SEND and children's services pressures are particularly acute. We will continue to push the Government for sufficient, sustainable, multi-year settlements for local government and to provide clarity on the future of the New Homes Bonus and local government finance reforms.

The £20 million revenue element of the £63 million Swimming Pool Support Fund announced in the has now opened for applications. Councils have 6 weeks to apply, which includes considering making an application on behalf of local community-owned pools, but the application portal is currently expected to be open for only 1 week at the end of the application period, so councils will need to have staff in place to submit. The LGA is working to have this period extended. Councils will also need to prioritise which of their pools is to receive support, as not all pools will receive funding. Areas with a strategic vision for facilities in their area will be scored more favourably. The latest information is being published on the Sport England webpage.

<u>Cost of living pressures in communities and welfare</u> - Councils in England received their allocation of the £842 million Household Support Fund on 1 April 2023. We continue to work closely with the DWP on this and are currently supporting councils in their delivery. We continue to share best practice via monthly webinars and commissioned a series of case studies, which have been added to our <u>cost of living hub</u>. We continue to call on the Government to make local welfare funding permanent to help achieve improved, longer-term socioeconomic outcomes for people and communities.

The deadline for the Energy Bills Support Scheme Alternative Fund applications was 31 May 2023. We understand that there has been low take up rates of the £400 grant, particularly among residents in supported housing and customers of district heat networks, who are more likely to be on a low-income. We plan to work with Government and partners to encourage people who are eligible to get the support they are entitled to.

<u>Workforce capacity</u> – Workforce capacity concerns continue to dominate councils' risk profiles as both senior leadership and front-line service delivery roles encounter challenges regarding recruitment and retention. According to our 2022 Workforce Survey more than 9 in 10 councils are experiencing difficulties in this area.

These issues are also restricting councils' ability to support government to meet its own key pledges, such as building more homes, boosting and levelling up economic growth and reforming adult social care. Councils are pulling out all the stops to tackle recruitment and retention issues, however the local government workforce has a diverse range of skills, professions and occupations and the workforce challenges each face are equally complex. We are working with councils and professional bodies on strategies to address the challenges for services experiencing the greatest difficulties and are pressing for flexibilities which will enable councils to invest in apprenticeships.

<u>Asylum and resettlement</u> – Concerns about how current programmes are being managed remain acute. We are raising councils' concerns around housing and homelessness, cohesion and safeguarding as a result of recent policy and process changes by the Home Office, including hotel maximisation, HMO licensing exemptions, large site use, decisions on hotels, and the streamlined asylum process. We



continue to press for a more equitable approach to increasing accommodation supply across all programmes. We are working with Government on the impacts of hotel closure for Afghan households by the end of August, with growing concern around homelessness risks and lack of clarity around the end of the process. We continue to press more effective engagement at political level, with ministerial webinars and meetings planned for July and are pressing for engagement in advance of implementation of the Illegal Migration Bill.

<u>Unaccompanied asylum-seeking children (UASC)</u> – The number of children in hotels increased significantly in June, leading to the use of six hotels and placing further pressures on already overstretched children's services. Further hotels are expected to be stood up in the coming weeks and months. We are pressing for a whole-system approach that tackles insufficient placements, alongside the shortfall in funding to support UASC and former UASC care leavers, including at the cross Whitehall UASC Task Force. Councils have highlighted tensions between provisions in the Illegal Migration Bill and their statutory responsibilities towards children in care, as well as the risk that the Bill will drive higher numbers of children to arrive unaccompanied or more people to present as children at port. The challenge of unaccompanied children being placed in adult asylum accommodation continues to place significant pressure on individual councils.

#### **Private rented sector reform**

The Government has recently published the Renters (Reform) Bill which aims to improve the system for both private renters and landlords in England. Changes include: abolition of section 21 'no fault' evictions and a move to periodic tenancies; more comprehensive possession grounds so landlords can still recover their property and make it easier to repossess properties where tenants are at fault; a tenant appeal process for above-market rent increases; a new Private Rented Sector Ombudsman; and a new Privately Rented Property Portal to help landlords understand their legal obligations and demonstrate compliance. The changes will introduce new enforcement powers and duties for councils. We will be working with parliamentarians and stakeholders to represent sector views on the reforms. In particular we will be encouraging the Government to work with councils to undertake a realistic assessment of the resource's councils need to regulate effectively and develop an appropriate workforce strategy. This will need to be supported with appropriate new burdens funding.

<u>Data</u> – The Government's new Office for Local Government (Oflog) was launched by the Secretary of State at the LGA Annual Conference. The new body is intended to provide authoritative and accessible data and analysis about the performance of local government and support its improvement.

The LGA continues to focus lobbying around; the fact LG Inform already captures vast amounts of data about council performance; councils are responsible for shaping their places and to do this effectively they need data about the activities and performance of the rest of the public sector; and co-production with local government will be important in future iterations of the new Local Authority Data Explorer to make it more meaningful locally.

<u>Waste</u> – On 6 July Government officials indicated there will be a further delay in making a decision on whether or not to delay implementation of the Extended Producer Responsibility reforms and to publish next steps in reforming consistency of waste collection. This is a significant concern for councils, we have been pressing on Defra to not further delay EPR, which transfers the costs of processing packaging waste from councils onto packaging producers with incentives to reduce waste produced. We are now working with Government to continue pressing councils' case and the risks of delaying EPR, and our key asks from the consistency proposals.

In late June the Government has said that it will ban councils from charging for DIY waste taken to Household Waste and Recycling centres. Our concerns about this were widely reported in the press, it will remove millions from council budgets and the government proposes to introduce the ban before the end of this calendar year, mid budget cycle. The decision also waives the new burdens process, granting no compensation for impacted councils at a difficult time for waste services. We are pressing on government to reconsider, or to at least delay implementation to April 2025 while introducing compensation for impacted councils.



Furthermore, in early July DESNZ confirmed their intent to include Energy from Waste (EfW) in the Emissions Trading Scheme, essentially passing a tax onto EfW plants that can be passed to councils. While supporting incentives to reduce emissions, we are concerned that councils cannot control the level of waste industry produces and consumers throw away. It is critical that EPR is brought in an extended across other material types so that producers pay the cost for processing the waste they generate, including through the Emissions Trading Scheme, rather than council taxpayers.

Adult social care — The LGA's Community Wellbeing Board discussed the Government's two-year plan for reforming adult social care 'Next steps to put People at the Heart of Care'. This covers the period 2023-2024 and 2024-2025 and follows the Government's white paper from December 2021. We are disappointed with the plan, which falls short of ensuring a more sustainable and refocused future for social care and are particularly concerned about the reductions in planned investment. We will be calling on the Government to ensure £600 million of unallocated funding is ringfenced for adult social care and given to councils directly.

We are also concerned about the single word gradings to be used as part of the new adult social care assurance regime that commenced on 1 April 2023. We are continuing to work closely with DHSC and CQC on this and other remaining issues that need to be resolved and aim to secure sufficient ongoing funding, so that all councils can continue to meet their public health responsibilities beyond 2023/24.

<u>Public health funding and NHS pay deal</u> 2023 - We continue to make the case for multi-year settlements and for more long-term certainty around public health funding. We are pushing for an increased focus on prevention, achieved through an uplift to the Public Health grant. This will support the Government's wider aims by improving health outcomes, reducing health spending, and putting social care and the NHS on a better footing for the long-term.

#### Other issues of importance for the sector

<u>Devolution, Economic Growth and Levelling Up</u> – Following a commitment in the Levelling Up White Paper, DLUHC has published a <u>plan to simplify aspects of the funding landscape</u> for councils, <u>a longheld ask of local government and the LGA</u>. The plan includes the simplification of some existing levelling-up funds, and the introduction of a funding simplification doctrine that will apply to new grants. We will work with DLUHC officials on next steps in line with the Make it Local report.

<u>Early education and childcare</u> – Councils are considering the implementation of extended access to free early education and childcare. However, the early years sector is currently facing financial and sustainability challenges and these changes will cause further pressure. These changes are also building on a complex and difficult to navigate system. They will place significant additional pressure onto council teams. We are speaking with the Government regarding the need for LA funding to support the market and parents and carers, workforce support and capital funding, as well as pressing for assurance that early entitlements will be fully funded to ensure the financial sustainability of the sector.

<u>Climate change</u> – The LGA continue to work with DESNZ on the Local Net Zero Forum, which is currently working jointly on a business case for devolving retrofit funding to councils, initially through MCA trailblazer agreements. Beyond that LGA is pushing the case for wider devolution of measures to enable local climate action, in line with the Make it Local report.

<u>Children's social care</u> —Forthcoming changes to regulations around supported accommodation for young people will exacerbate pressure on placement capacity especially for unaccompanied asylumseeking children. We have called on Government to delay the implementation of these reforms or risk making outcomes for children worse. We have responded to the <u>children's social work workforce consultation</u> which aims to tackle issues around the agency workforce, though we are concerned that not enough action is being taken to increase overall numbers of social workers. The DfE is consulting on changes to statutory guidance to improve multi-agency safeguarding partnership working, reflecting concerns about how this is currently working on the ground. Challenges around placements for children



in care with the most complex needs remain critical, with the continued use of unregulated placements for some children due to a lack of regulated provision.

<u>Planning</u> – We continue to lobby on the Levelling Up and Regeneration Bill as it progresses through parliament. The bill is now in the House of Lords, and we continue to brief on our asks, as well as engaging peers on proposed amendments.

We have responded to a number of consultations, including those on planning fees, Environmental Outcome Reports and the creation of a new planning use class for short-term lets. The LGA, along with 29 other bodies across the sector, have written to government to urge them not to introduce the proposed Infrastructure Levy (IL). We have significant concerns that the proposed IL will result in fewer, not more, affordable homes delivered, will expose councils to excessive levels of financial risks, and be increasingly burdensome and complex for local authorities to implement and manage. The signatories propose that retention and improvement of the current developer contribution system is the most appropriate solution.

<u>Housebuilding</u> -We are calling for the Government to go further and faster in order for councils to be able to properly resume their historic role as a major builder of affordable homes by implementing a sixpoint plan for social housing.

This includes: rolling-out five-year local housing deals to all areas of the country that want them by 2025 – combining funding from multiple national housing programmes into a single pot; Government support to set up a new national council housebuilding delivery taskforce, bringing together a team of experts to provide additional capacity and improvement support for housing delivery teams within councils and their partners; continued access to preferential borrowing rates through the Public Works Loans Board (PWLB), introduced in the Spring Budget, to support the delivery of social housing and local authorities borrowing for Housing Revenue Accounts; further reform to Right to Buy which includes allowing councils to retain 100 per cent of receipts on a permanent basis, flexibility to combine Right to Buy receipts with other government grants, the ability to set the size of discounts locally, and the ability to recycle a greater proportion of receipts into building replacement homes paying off housing debt; reviewing and increasing where needed the grant levels per home through the Affordable Homes Programme, as inflationary pressures have caused the cost of building new homes to rise, leaving councils needing grant funding to fund a larger proportion of a new build homes than before; certainty on future rents, to enable councils to invest. Government must commit to a minimum 10-year rent deal for council landlords to allow a longer period of annual rent increases and long-term certainty.

<u>SEND (Special Educational Needs and Disabilities)</u> – Our response to the SEND and Alternative Provision Improvement Plan can be found <u>here</u>. We welcome the proposed national standards, which will clarify the support available and who will be responsible for delivering it, as well as the focus on early identification of needs and support. The focus on improving levels of mainstream inclusion is also welcome and will be crucial to both improving outcomes for children with SEND and reducing pressures on high needs budgets. We are however concerned the proposals set out in the improvement plan do not go far enough; there are no plans to give councils additional powers to lead local SEND systems and hold partners to account for their work to support children and young people with special needs. While proposed powers to intervene in schools not supporting children with SEND are welcome, we are calling for these powers to sit with councils and not the Department for Education.

<u>Education</u> – With the abandonment of the Schools Bill, we are calling for the Department for Education to bring forward alternative legislative arrangements to introduce a register of children being electively home educated, accompanied by sufficient powers for councils to check that home educated children are receiving a suitable provision, where concerns have been raised that this is not the case. The Schools White Paper proposed that greater inclusion could be achieved by statutory regulation of the academy sector by the DfE, a proposal that was also included in the Schools Bill. In the Bill's absence we are calling for the Department to set out how similar outcomes can be achieved without the need for underpinning statutory powers.



**Environment** – The Environment Board has written to Ministers on the progress of Biodiversity Net Gain, raising a number of concerns about key actions needed before implementation begins in November 2023. We continue to work with officials on these issues. Defra has now published details of the responsible authorities for Local Nature Recovery Strategies and confirmed funding allocations to develop these. However, there is still important information missing, in particular around the role of local planning authorities including guidance on how LNRSs will have regard to local plans.

Integrated Care Systems - The Government published their response to the Hewitt Review of the autonomy and accountability of Integrated Care Systems (ICSs)on 14 June. The LGA is largely supportive of the recommendations of the review to Government, in particular those which propose a significant reduction in the number of national targets for ICSs, and the clear focus on prevention as a priority. We were however disappointed that the Government rejected the recommendation to grow the proportion of funding spent on prevention by 1 per cent a year, which is necessary to turn the curve on a growing burden of ill-health and long-term conditions.

We are also disappointed that the Government has not given an explicit commitment to supporting the development of a peer-led approach for ICS leaders. We will continue to work with Government and NHS England to ensure that the voice of local government, its interests and its vital contribution is reflected in the implementation of the recommendations on the future development of ICSs.

## Adults with care and support needs -

We are calling for a system-wide focus on early intervention and prevention to reduce the development of mental health crises and to ensure the new Major Conditions Strategy reflects local governments' contribution to supporting mental health and dementia. We are also pressing for sustainable funding for local government statutory and non-statutory mental health services, to put them on an equal footing with NHS clinical mental health services. Alongside this, we are making the case for a mental health workforce plan and related funding to address staff shortages and high workload in the sector.

We have recently highlighted our concern about the roll out of the 'Right Care, Right Person' (RCRP) National Partnership Agreement that is being developed by Government as the current push to implement this approach in a matter of months risks undermining the positive approach advocated by its authors, presents significant risks to people experiencing mental distress, those who care for them and those adults and children in need of safeguarding.

The LGA highlight unpaid carers' needs, value, and their contribution to caring in all funding and social care reform work. We ensure that the pressures facing young carers are addressed in our policy and improvement work as well as promoting councils' leadership role in addressing and preventing loneliness and social isolation.

We are pushing for an increase of funding for home adaptions so that councils can upgrade existing stock, as well as pressing for simplification of the Disabled Facilities Grant process.

We are calling for Government to <u>invest in therapeutic-led reablement as intensive short-term</u> <u>interventions</u> with follow-up support can support recovery after time spent in hospital. We are also calling for a focus on prevention and recovery services to reduce pressures in hospitals ahead of Winter, including steps to support the voluntary sector to provide fast, low-level support.

<u>Supported housing</u> – We are a major stakeholder for the consultation work on the Supported Housing (Regulatory Oversight) Bill which gained Royal Assent and became and act on 29<sup>th</sup> June, reflecting the need for a locally-led fully funded oversight and enforcement regime for exempt accommodation within a strengthened national regulatory framework that doesn't disincentivise good providers. We do have some concerns about the potential capacity challenges for councils if new responsibilities are introduced as a result of the Bill and highlighting that significant resource will need to be given to a licensing scheme and enforcement of new National Supported Housing Standards.



<u>Homelessness</u> – Councils are becoming increasingly concerned that the rising cost of living and the aforementioned closure of Afghan bridging hotels and wider asylum and resettlement pressures may trigger an increase in homelessness as households struggle to pay bills and councils struggle to find appropriate accommodation. We are seeking an explicit, national-level focus on homelessness prevention work and an associated funding regime that addresses the drivers and levers of homelessness and enables and encourages councils to avoid residents reaching crisis and reduces demand for emergency responses.

<u>Transport</u> – Government must commit to bringing forward the new Transport Bill after shelving it in this session. We continue to lobby for powers within any new Transport Bill to help councils deal with obstructions that are a danger to pedestrians and vulnerable people on the carriageway and pavement. We understand that the Government is not looking to pursue these issues in this parliament. We are pushing for the Bill to regulate the sale and use of private e-scooters and continue to push for wider funding and certainty.

Following pressure from the LGA and partners, the Government have committed to a further three months of funding (August – October 2023) for the £2 fares cap as a cost of living measure. Thereafter, bus fares will be capped at £2.50 until November 2024. A further £300 million of funding from June 2023 (£160 million to councils, and £140 million to operators) is confirmed until 2025 to protect vital routes, allocations for this have been announced. This dual extension of funding will help in keeping costs down, but operators have warned that this will not prevent further erosion of services. The LGA will continue to call for longer-term, multi-year certainty of funding to help patronage levels to recover and grow and to stick to commitments in the National Bus Strategy. We have called for the Government to reverse its decision to reduce active travel spending by over £200 million over the next 2 years and we continue to lobby for more funding for road maintenance as 20-25 per cent cost increases in the sector has resulted in increased repair backlogs and a deterioration of road quality.

<u>Digital</u> – We are particularly concerned about the implications of the Public Switch Telephone Network (PSTN) switchover, which will see the 1.7 million people who access technology enabled care and support at risk of being left without a connection. We have launched a <u>digital switchover hub</u> with resources to support councils and their residents. While the PSTN upgrade is an industry-led process, the LGA is calling on the Department for Science, Innovation and Technology (DSIT) to coordinate the multiple bodies involved with the switchover. Coordination and accountability will be vital to align communications messaging and ensure sectors and consumers, including the most vulnerable, are protected and prepared for the upgrade process.

<u>Civility in public life</u> – We continue to press for Government to amend the existing legislation on sensitive interest, so that councillors may choose not to have their full home address on the public register in line with MPs registers and to support the sector to improve provision for the safety and security of councillors, particularly in relation to the police. In June 2022, the LGA launched the Debate Not Hate campaign to raise awareness of the issue and improve support locally. The campaign has over 550 individual signatories to our public statement and over 20 councils who have signed up to the campaign as a whole. A new report looking at what more councils can do to support councillors was published at LGA Annual Conference 2023.

<u>Virtual council meetings</u> – Councils are still calling for virtual council meeting flexibilities and some individual councillors are requesting virtual attendance as a reasonable adjustment under the Equalities Act. A new survey of councils shows ongoing support for this flexibility and crucial indicates that one in 10 councils have had a councillor voluntarily step down because of the requirement to meet in-person. The LGA has written to Secretary of State Michael Gove MP to highlight our concerns that in-person meeting requirements are driving councillors out of office and deterring good candidates that we need in local government.

**Elections delivery** – The Electoral Commission interim analysis of voter ID at the May 2023 recently found that 14,000 people who attending polling stations were unable to vote due to voter ID



requirements, which represented 0.25% of polling station voters. The report also indicated that awareness varied among different groups and that some may be more impacted than others. Crucially, 4-7 per cent of non-voters cited voter ID was a factor in their decision not to vote. The Commission indicated that data collection was poor in some cases and recommended that this be improved and extended to future local elections. The Association of Electoral Administrators also published a review of the May elections and stated that although voter ID was delivered well, this is masking significant capacity and capability concerns which will be most acute when the next general election is called.