

## Note of last LGA Executive meeting

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<b>Title:</b>	LGA Executive
<b>Date:</b>	Thursday 19 October 2017
<b>Venue:</b>	5th Floor Conference Suite, 5th Floor (South side), Layden House, 76-86 Turnmill Street, London, EC1M 5LG

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### Attendance

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

Item	Decisions and actions	Action
<b>1</b>	<b>Welcome and Apologies for Absence</b>	
	The Chairman welcomed members to the meeting and noted apologies for absence.	
<b>2</b>	<b>Declarations of Interest</b>	
	There were no declarations of interest.	
<b>3</b>	<b>Autumn Budget</b>	
	<p>Nicola Morton, Head of Programmes, introduced the item, advising members that the LGA had submitted a formal response to the Government's consultation on the Autumn Budget on the 22 September. The attached report updated members on LGA work undertaken in the run up to the Chancellor's announcement in November. This included a series of recommendations on local government finance, public service reform and economic growth. The LGA's submission asked Government to address the pressures on social care, ensure the Fair Funding Review did not result in any local authority seeing its funding reduce, and provide councils with the financial flexibilities to build new homes by devolving funding, localising planning fees and removing the cap on HRA borrowing. Officers would also explore opportunities to work with parliamentarians in this area.</p> <p>In the discussion which followed, members made the following points:</p> <ul style="list-style-type: none"><li>• There was a brief discussion on the importance of a strong infrastructure in order to provide housing. Members requested that this was given more emphasis in future submissions.</li></ul>	
	<b>Decision:</b>	

Item	Decisions and actions	Action
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1. Members **noted** the report.

**Action:**

1. Officers to proceed in line with the above steer.

#### **4 The Fair Funding Review and Business Rates Retention**

Nicola Morton, Head of Programmes, introduced the report, updating members on the Government's Fair Funding Review and business rates retention reforms, and LGA work on this. It was hoped that DGLC would publish an update on the fair funding review shortly. In summer 2019, it was expected that the full consultation document would be published, potentially showing plans for individual local authorities. Business rate implementation was now expected in 2020/2021. Members were further advised that the joint LGA and DCLG steering group would be reconvened that month. She requested members' views on the criteria on which to assess a future model of funding.

In the discussion which followed, members made the following points:

- Although the LGA was taking a neutral position on the formula, members requested that some consensus was built on elements, in order to strengthen local authorities' negotiating position with Government.
- There was a discussion on the merits of allowing councils to choose the formula which worked best for them. The ability of individual councils to raise revenue locally needed to be taken into account, and issues such as homelessness and high student numbers recognised.
- The transition between one formula to another would need to be considered carefully.
- There were concerns raised on councils that would be left without revenue support from next year.
- There was a discussion on whether the deal agreed until 2020 would still apply when the change to business rates retention came into effect.

In response, officers made the following points:

- Some consensus would try to be reached.
- Issues such as homelessness and high student numbers in specific area would be considered.
- There was an opportunity for more areas to participate as pilots. Government was particularly interested in two tier areas as

Item	Decisions and actions	Action
	<p>examples, which would demonstrate different learning to the current pilots.</p> <p><b>Decision:</b></p> <ol style="list-style-type: none"><li>Members noted the consultation document and the LGA's draft response.</li></ol> <p><b>Action:</b></p> <ol style="list-style-type: none"><li>Officers to proceed with work in line with members' steer.</li></ol>	
<b>5</b>	<p><b>DCLG Technical Consultation on the 2018/19 Local Government Finance Settlement</b></p> <p>Nicola Morton, Head of Programmes, introduced the item, advising that the Department for Communities and Local Government had published a technical consultation on the 2018/19 Local Government Finance Settlement on 14 September. The consultation confirmed the Government's intention to continue with the four-year funding deal announced in December 2015. The deal covered the financial years April 2016 to March 2020, and included the revenue support grant, business rates top-ups and tariffs, transitional grant and rural services delivery grant. She highlighted issues around the changes to the New Homes Bonus, and asked members to note that although the four year deal was welcomed, it had been accepted in a different context. The paper set out the LGA's draft response for comment. The deadline for responding would be 26 October.</p> <p>In the discussion which followed, members made the following points:</p> <ul style="list-style-type: none"><li>It was emphasised that there needed to be further discussion with the Government on the new homes bonus, as it was having a negative effect on the planning system and infrastructure for new homes to be built.</li><li>There was a discussion on council tax referendums and encouraging the Government to scrap these.</li></ul> <p><b>Decision</b></p> <ol style="list-style-type: none"><li>Members <b>noted</b> the report.</li></ol> <p><b>Action</b></p> <ol style="list-style-type: none"><li>Officers to proceed with work as directed by members.</li></ol>	
<b>6</b>	<p><b>Appendix A - LGA response to the technical consultation on the 2018/19 local government finance settlement</b></p>	

**Item Decisions and actions**

**Action**

**7 Brexit**

Ian Hughes, Head of Policy, introduced the item, outlining recent LGA work on Brexit. He discussed the rights of local government in EU law and whether this would be transferred into British law, advising that this was currently being considered across Whitehall. The Government had advised there would be a replacement for the EU structural fund, although details had not been issued yet. The four leaders of the UK local government associations had recently met with DExEU ministers. Ministers had offered to meet the associations on a quarterly basis so that local government views were represented in the discussions. He asked members to highlight any issues which were missing from this work.

In the discussion which followed, members made the following points:

- Members raised the impact of Brexit on local government and the workforce and of local businesses, and how the latter could be supported.
- Members asked what priorities could be taken from the industrial strategy to inform this area.
- There was a discussion around procurement and rules on this. Members asked if there would be a transition period for this.
- It was emphasised that there needed to be good cross-party, gender-balanced political representation in the Committee of the Regions.
- Members highlighted that some of the Brexit dividend would need to be retained to replace the structural fund if it was lost.
- It was important to ensure LGA group leaders were part of the quarterly discussions with ministers.
- It was highlighted that Local Government had a statutory right in law at European level, and this would need to be duplicated in the transition. Consultation was not the same as a legal right.

**Decision:**

1. Members **noted** the report.

**Action:**

1. Officers to proceed with work as directed by members.

**8 Note of the last Leadership Board meeting - Tabled**

**Item Decisions and actions**

**Action**

**Decision:**

1. Members **noted** the minutes of the Leadership Board.

**9 Note of last LGA Executive meeting**

**Decision:**

1. Members **agreed** the minutes of the last meeting as an accurate summary of the discussion.

**Appendix A -Attendance**

Position/Role	Councillor	Authority
Lord Gary Porter CBE (Chairman)		South Holland District Council
Cllr David Simmonds CBE (Vice Chairman)		Hillingdon London Borough Council
Cllr Howard Sykes MBE (Vice-Chair)		Oldham Metropolitan Borough Council
Cllr Marianne Overton MBE (Vice-Chair)		Lincolnshire County Council
Cllr Peter Fleming OBE		Sevenoaks District Council
Cllr Izzi Seccombe OBE		Warwickshire County Council
Cllr Mark Hawthorne MBE		Gloucestershire County Council
Cllr Martin Tett		Buckinghamshire County Council
Cllr Paul Bettison OBE		Bracknell Forest Borough Council
Cllr Donna Jones JP		Portsmouth City Council
Cllr Nick Forbes		Newcastle upon Tyne City Council
Cllr Sue Murphy CBE		Manchester City Council
Cllr Peter Box CBE		Wakefield Metropolitan District Council
Cllr Lib Peck		Lambeth London Borough Council
Cllr Michael Payne		Gedling Borough Council
Cllr Claire Kober OBE		Haringey LB and Resources Board
Cllr Simon Blackburn		Blackpool Council
Cllr Richard Watts		Islington Council
Cllr Ruth Dombey OBE		Sutton London Borough Council
Cllr Peter Reeve MBE		Huntingdonshire District Council
Cllr Lisa Duffy		Huntingdonshire District Council
Cllr John Hart		South West Councils
Cllr Stephen Parnaby OBE		Local Government Yorkshire and Humber (LGYH)
Cllr Stephen Parker		South East England Councils (SEEC)
Cllr Terry O'Neill		North West Regional Leaders Board
Cllr Philip Atkins OBE		County Councils Network (CCN)
Cllr John Fuller		District Councils Network
Apologies:	Cllr Sean Anstee Cllr Paul Carter CBE	Trafford Metropolitan Borough Council Kent County Council

Item	Decisions and actions	Action
	Sir Richard Leese CBE	Manchester City Council and City Regions Board
	Cllr Gerald Vernon-Jackson CBE	Portsmouth City Council
	Cllr Tom Fitzpatrick	East of England Local Government Association (EELGA)
	Cllr Nicolas Heslop	South East England Councils (SEEC)
	Cllr Nicholas Rushton	East Midlands Councils
	Cllr Paul Watson	Association of North East Councils
	Cllr Barrie Grunewald	North West Regional Leaders Board
	Cllr Aaron Shotton	Welsh Local Government Assoc. (WLGA)
	Sir Stephen Houghton CBE	SIGOMA
	Alderman Sir David Wootton	Local Partnerships