

# Resources Board

## Agenda

Tuesday, 15 September 2020  
2.00 pm

Zoom

## Resources Board

15 September 2020

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There will be a meeting of the Resources Board at **2.00 pm on Tuesday, 15 September 2020** via Zoom.

### Political Group meetings:

The group meetings will take place in advance of the meeting. Please contact your political group as outlined below for further details.

### Apologies:

Please notify your political group office (see contact telephone numbers below) if you are unable to attend this meeting.

<b>Conservative:</b>	Group Office: 020 7664 3223	email: <a href="mailto:lgaconservatives@local.gov.uk">lgaconservatives@local.gov.uk</a>
<b>Labour:</b>	Group Office: 020 7664 3263	email: <a href="mailto:Martha.Lauchlan@local.gov.uk">Martha.Lauchlan@local.gov.uk</a>
<b>Independent:</b>	Group Office: 020 7664 3224	email: <a href="mailto:independent.grouplga@local.gov.uk">independent.grouplga@local.gov.uk</a>
<b>Liberal Democrat:</b>	Group Office: 020 7664 3235	email: <a href="mailto:libdem@local.gov.uk">libdem@local.gov.uk</a>

### LGA Contact:

Richard Kember  
[richard.kember@local.gov.uk](mailto:richard.kember@local.gov.uk) / 07786 542 754

### Carers' Allowance

As part of the LGA Members' Allowances Scheme a Carer's Allowance of £9.00 per hour or £10.55 if receiving London living wage is available to cover the cost of dependants (i.e. children, elderly people or people with disabilities) incurred as a result of attending this meeting.

## Resources Board – Membership 2020/2021

Councillor	Authority
<b>Conservative ( 7 )</b>	
Cllr Tim Oliver (Vice Chairman)	Surrey County Council
Cllr Philip Atkins OBE	Staffordshire County Council
Cllr David Finch	Essex County Council
Cllr Daniel Humphreys	Worthing Borough Council
Cllr Peter Jackson	Northumberland Council
Cllr Roger Phillips	Herefordshire Council
Cllr Richard Wenham	Central Bedfordshire Council
<b>Substitutes</b>	
Cllr Graham Gibbens	Kent County Council
Cllr Andrew Leadbetter	Devon County Council
Cllr David Leaf	Bexley Council
<b>Labour ( 7 )</b>	
Cllr Richard Watts (Chair)	Islington Council
Cllr Sharon Taylor OBE	Stevenage Borough Council
Cllr Terry Paul	Newham London Borough Council
Cllr Amanda Serjeant	Chesterfield Borough Council
Cllr Peter Marland	Milton Keynes Council
Cllr Erica Lewis	Lancaster City Council
Cllr Bev Craig	Manchester City Council
<b>Substitutes</b>	
Cllr Abdul Jabbar MBE	Oldham Metropolitan Borough Council
Cllr Adam Swersky	Harrow London Borough
Cllr Harpreet Uppal	Kirklees Council
<b>Liberal Democrat ( 2 )</b>	
Cllr Keith House (Deputy Chair)	Eastleigh Borough Council
Cllr Adam Paynter	Cornwall Council
<b>Substitutes</b>	
Cllr Mike Bell	North Somerset Council
<b>Independent ( 2 )</b>	
Cllr Jason Zadrozny (Deputy Chair)	Ashfield District Council
Cllr Phelim MacCafferty	Brighton & Hove City Council
<b>Substitutes</b>	
Cllr Loic Rich	Cornwall Council
Cllr Jim Hakewill	Northamptonshire County Council

## Agenda

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### Resources Board

Tuesday 15 September 2020

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**Date of Next Meeting:** Tuesday, 17 November 2020, 2.00 pm, via Zoom

## **Membership and Terms of Reference for 2020/21**

### **Purpose**

For discussion and decision.

### **Summary**

For Members to note the membership, and agree the Terms of Reference of the Resources Board for 2020/21.

### **Recommendations**

Members of the Resources Board are asked to:

1. Note the membership of the Board for 2020/21 (table one);
2. Agree the Board's Terms of Reference for 2020/21 (paragraph 1 – 12); and
3. Agree to Membership of any Outside Bodies (paragraph 13 onwards)
4. Identify a Member to be the Equalities Advocate for the Board

### **Action**

Officers to take any actions as required.

**Contact officers:** Richard Kember  
**Position:** Member Services Officer  
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**Resources Board – Membership 2020/21**Table One

<b>Councillor</b>	<b>Authority</b>
<b>Conservative (7)</b>	
Cllr Tim Oliver (Vice Chairman)	Surrey County Council
Cllr Philip Atkins OBE	Staffordshire County Council
Cllr David Finch	Essex County Council
Cllr Daniel Humphreys	Worthing Borough Council
Cllr Peter Jackson	Northumberland Council
Cllr Roger Phillips	Herefordshire Council
Cllr Richard Wenham *	Central Bedfordshire Council
<b>Substitutes</b>	
Cllr Graham Gibbens**	Kent County Council
Cllr Byron Rhodes	Leicestershire County Council
Cllr Andrew Leadbetter	Devon County Council
<b>Labour (7)</b>	
Cllr Richard Watts (Chair)	London Borough of Islington
Cllr Bev Craig *	Manchester City Council
Cllr Sharon Taylor OBE	Stevenage Borough Council
Cllr Amanda Serjeant*	Chesterfield Borough Council
Cllr Erica Lewis	Lancaster City Council
Cllr Peter Marland	Milton Keynes Council
Cllr Terry Paul*	Newham Borough Council
<b>Substitutes</b>	
Cllr Abdul Jabbar **	Oldham Metropolitan Borough Council
Cllr Adam Swersky **	Harrow Borough Council
Cllr Harpeet Uppal **	Kirklees District Council
<b>Liberal Democrat (2)</b>	
Cllr Keith House (Deputy Chair)	Eastleigh Borough Council
Cllr Adam Paynter	Cornwall Council
<b>Substitutes</b>	
Cllr Mike Bell	North Somerset Council
<b>Independent (2)</b>	
Cllr Jason Zadrozny (Deputy Chair)	Ashfield District Council
Cllr Phelim MacCafferty	Brighton & Hove City Council
<b>Substitutes</b>	
Cllr Loic Rich	Cornwall Council

\* New Board Members

\*\* New Board Substitutes

## **Terms of Reference**

### **Purpose of Committee: Resources Board**

1. The LGA's Resources Board will shape and develop the Association's policies and programmes in line with the LGA priorities in relation to: Local Government Finance; Welfare Reform; EU Funding and Workforce issues.

### **Specific responsibilities**

2. Local Government Finance: issues relating to the financing of local government expenditure. The Chair of the Resources Board also chairs the LGA's Task and Finish Group on Business Rates Retention and the Fair Funding Review
3. Welfare Reform: issues relating to welfare reform.
4. EU Funding: issues relating to current EU funding and the future design and delivery of replacement funding.
5. Workforce Issues: including pay and reward; productivity; pensions; the role and responsibilities of the employers the LGA represent; workforce development; equalities; and other strategic workforce challenges.

### **Operational accountabilities**

6. Boards will seek to involve councillors in supporting the delivery of these priorities (through task groups, Special Interest Groups (SIGs), regional networks and other means of wider engagement); essentially operating as the centre of a network connecting to all councils and drawing on the expertise of key advisors from the sector.
7. The Resources Board will be responsible for:
  - 7.1 Ensuring the priorities of councils are fed into the business planning process.
  - 7.2 Developing a work programme to deliver their brief, covering lobbying, campaigns, research, improvement support and events and linking with other boards where appropriate.
  - 7.3 Sharing good practice and ideas to stimulate innovation and improvement.
  - 7.4 Representing and lobbying on behalf of the LGA, including making public statements on its areas of responsibility.
  - 7.5 Building and maintaining relationships with key stakeholders.
  - 7.6 Involving representatives from councils in its work, through task groups, Commissions, SIGs, regional networks and mechanisms.
  - 7.7 Responding to specific issues referred to the Board by one or more member councils or groupings of councils.

- 7.8 Providing views, as appropriate, to inform the decision making responsibilities of the national negotiating committees and the Local Government Pension Committee.

8. The Resources Board may:

- 8.1 Appoint members to relevant outside bodies in accordance with the Political Conventions.
- 8.2 Appoint member champions from the Board to lead on key issues.

**Quorum**

9. One third of the members, provided that representatives of at least 2 political groups represented on the body are present.

**Political Composition**

Conservative group	7 members
Labour group:	7 members
Liberal Democrat group:	2 members
Independent group:	2 member

10. Substitute members from each political group may also be appointed.

**Frequency per year**

11. Meetings to be five times per annum.

**Reporting Accountabilities**

12. The LGA Executive provides oversight of the Board. The Board may report periodically to the LGA Executive as required, and will submit an annual report to the Executive's July meeting.

**Outside Bodies**

13. Currently the Board has selected one Member to one Outside Body:

- 13.1 Cllr Sharon Taylor – Enforcement Law Reform Group – appointed March 2018.



## **Resources Board Equalities Advocate**

1. This year the Executive Advisory Board have asked each Board to identify a member to be an Equalities Advocate within each Board to raise the profile of any equalities issues within the Board's workstream. The advocates will work together to coordinate messaging across the organisation and to report back to the EAB.



## **2020/21 Resources Board Priorities & Work Programme**

### **Purpose of report**

For information and discussion.

### **Summary**

This report provides an overview of priorities for the 2020/21 Resources Board meeting cycle.

### **Recommendations**

Members are invited to note the proposed the priority areas for 2020/21.

### **Action**

Officers to action as appropriate, in line with members comments and steers.

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## **Local Government Finance Priorities For 2020/21**

### Spending Review 2020

1. Working with other Boards to develop and deliver a high-profile campaign and reports in advance of the 2020 Spending Review that make the case for adequate resources for local government and the additional freedoms and flexibilities needed. This will include lobbying for the Government to fully cover the costs and irrecoverable income losses, as well as deal with the cash flow issues, arising from the COVID-19 pandemic that stretch beyond the current financial year.
2. This is a high priority for the LGA and is being led by Leadership Board and Executive with contributions from all relevant boards.

### Local Government Set Pieces

3. To understand and debate the financial challenges facing councils and support the Executive Advisory Board in developing policy and funding asks in response to the annual local government finance settlement and Chancellor's Budgets.

### Business Rates, Council Tax and Other Local Taxes

4. Work includes responding to the Call for Evidence as part of the HM Treasury Review of Business Rates, considering LGA policy on council tax and developing views on alternative sources of income for local government.
5. This work is a high priority for the LGA and is being led by the Business Rates and Local Government Reform Task and Finish Group, and the Executive Advisory Board.

### Business Rates Retention and the Fair Funding Review

6. The Government has delayed further business rates retention and the Fair Funding Review and the LGA will seek to establish when and if these reforms will be introduced. This work was a high priority for the LGA and was previously led by the Business Rates Retention and Fair Funding Review Task and Finish Group, and the Executive Advisory Board.

### Capital Financing

7. Contributions to national reviews so that they enable rather than restrict prudential financial management.

Other Finance Policy

8. To influence thinking, formulate policy and respond on behalf of the local government sector so that councils are supported by an appropriate financial framework that is appropriate, not over restrictive and balanced with local freedom and accountability. This will include responding to ad hoc financial consultations and reports that impact on local government, including but not limited to, accounting practices, audit policy, treasury management, and other related issues.

Contribute to wider LGA objectives

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

**Workforce priorities for the coming year**

10. Priorities for Workforce come under the MHCLG memorandum of understanding (MoU), which helps inform the work and priorities of the Resources Board.
11. The MoU for 2020/21 was adjusted to take account of COVID-19 and includes workforce support and guidance in response to the pandemic.
12. The MoU now assumes that programmes to deliver this overall outcome will focus on the recovery and rebuilding phase with a revised agreement from September 2020. The work programme will be organised around the five priorities set out in our Workforce Focus document updated for the recovery phase:
  - 12.1 organisational development and changed ways of working including more routine home-based work and socially-distanced teams;
  - 12.2 skills development and the new skills priorities for post-COVID service delivery;
  - 12.3 leadership in post-COVID organisations;
  - 12.4 recruitment in urgent shortage occupations
  - 12.5 pay and reward.
13. Specific deliverables will include:
  - 13.1 Help councils to address inequalities, especially around gender, ethnicity and disability

- 13.2 Support councils to transform their workforces and modernise the way they are managed through a range of HR/OD initiatives and in line with sector priorities.
  - 13.3 Identify the services with the most urgent recruitment problems post-COVID and explore the resources needed so that advice and support can be targeted most effectively
  - 13.4 An apprenticeship programme (of encouragement and practical support) designed to help councils increase the number of apprentices and maximise their levy investment.
14. The LGA has an on-going remit to provide the secretariat functions for national pay negotiations. Deliverables will include: maintaining the national negotiating machinery on pay and workforce issues, facilitating the negotiation of a pay agreement that addresses the challenge of incorporating the potential growth in the National Living Wage whilst maintaining proper pay differentials, delivering affordable pay deals in the post-COVID financial environment whilst acknowledging the new value placed on public service. To deliver pay agreements for other occupational groups in the context described above.
15. The Workforce team will continue to develop and provide advice on employment law issues and to respond on behalf of the sector to legislative and regulatory consultations.
16. The team has a special responsibility for resolution of complex senior employee relations cases which continues to grow.
17. The team also has an income-generating responsibility which will continue to focus on:
- 17.1 Providing bespoke consultancy for example relating to recruiting, organising and rewarding senior management teams.
  - 17.2 Job evaluation.
  - 17.3 Enhancing and growing the information and support subscription service provided to associated employers such as academy trusts through the “Employer Link” programme.

#### **Welfare and Universal Credit Priorities for 2020-21**

18. Reshaping financial support will remain a key priority as councils support households through the social, financial and economic impacts of the pandemic. We will continue to work with councils, Government and partners to promote and share good practice, and to make the case for a properly recognised and adequately resourced local safety net.
19. Identify and share good practice on debt prevention, debt recovery and liabilities – balancing income maximisation with support for vulnerable households; making the case

for reviewing council tax regulations; working with debt advice providers and the Money and Pensions Service (MaPs).

20. Continue to highlight the vital role of councils in the wider welfare system, and ensure they are properly funded for local delivery; continue to monitor the impact of the benefits system on council services (e.g. housing and homelessness); make the case for effective integration and data-sharing to provide efficient, effective support to low-income households

### **EU Funding Priorities for 2020/21**

21. The Board's priority for 2020/21 will be to ensure that current EU funding is fully spent until the end of the 2014-20 programme, utilising the new flexibilities to support local economic recovery. There should also be a smooth transition from ESIF to the domestic replacement, the UK Shared Prosperity Fund (UKSPF). The LGA is lobbying for this to be a localised, place-based fund, which affords maximum flexibility to target local needs and tailor support where it has best impact.

### **Financial Implications**

22. All work programmes are met from existing LGA budgets and resources.

### **Next Steps**

23. The Resources Board will discuss and agree the 2020/21 work programme during its first meeting of the new cycle – 15 September 2020.





## **Local Government Finance update**

### **Purpose of report**

For information.

### **Summary**

This report provides a summary of the work by the LGA on funding and finance issues since the previous meeting of the Board on 21 July. This includes work on COVID-19 issues and the 2020 Comprehensive Spending Review.

The conclusion of the Redmond Review of local audit is covered separately on the agenda.

### **Recommendations**

That Members of the Resources Board note this update.

### **Action**

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

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## **Local Government Finance update**

### **Introduction**

1. This report provides a summary of the work by the LGA on funding and finance issues since the previous meeting of the Board on 21 July. This includes work on COVID-19 issues and the 2020 Comprehensive Spending Review. The conclusion of the Redmond Review of local audit is covered separately on the agenda.

### **COVID-19: announcements to date**

2. Since March, we have been successful in achieving a number of positive financial announcements to help councils deal with the impact of Covid-19, including:
  - 2.1. Three additional general funding announcements, worth in total £3.7 billion to local authorities including fire and rescue authorities.
  - 2.2. Over £4 billion of upfront grant payments and £2.6 billion of deferred payments of business rates to central government to aid cash flow.
  - 2.3. A three-month extension of the timescales for production of annual financial accounts and statements.
  - 2.4. A Government review of other reporting and data collection requirements for the next three months, which has resulted in postponed deadlines.
  - 2.5. A scheme to reimburse councils for income from lost sales, fees and charges (see below for further information on this scheme).
  - 2.6. Measures to allow council and business rates tax deficits to be repaid over three years instead of one and a commitment to decide on how losses of local taxation will be shared by central and local government at the 2020 Comprehensive Spending Review.

### **COVID-19: details of the compensation scheme for sales, fees and charges losses**

3. On 24 August, the Government published [guidance on the income compensation scheme for lost sales, fees and charges](#) arising from COVID-19, as announced on 2 July and referenced above. Authorities will have to absorb losses of up to 5 per cent of the relevant planned 2020/21 sales, fees and charges income, with the Government providing compensation for 75p in every pound of relevant loss thereafter.

4. The guidance defines what constitutes an “eligible loss” and provides worked examples on applying this definition. Commercial income losses, such as rental and investment income, are excluded. To receive compensation, councils will have to complete data returns. There will be three data collections in total during the rest of the year. The first collection is live during September and covers the months from April to July. Councils’ chief finance officers will have to certify returns.
5. Funding a portion of lost income from fees and charges is a step in the right direction but does not cover full losses, and it excludes some losses which the Government considers to be commercial. We continue to call on the Government to meet all extra cost pressures and income losses from fees and charges and other sources, including commercial activity. This is essential if councils are to avoid having to make tough decisions on in-year cuts to services to meet their legal duty to set a balanced budget this year.

**COVID-19: latest information on the financial challenge facing councils**

6. The LGA continues to receive access to data from all returns submitted to MHCLG, with the latest data in July pointing to an overall financial challenge amounting to nearly £11 billion, when considering cost pressures and lost income from all sources, including all sales, fees and charges and lost local taxation. This does not include Government support provided so far.
7. The LGA commissioned the IFS to have an independent look at information submitted by councils and Government’s measures to date, concentrating on this financial year. This excludes local taxation impacts which will hit council finances from 2021/22 onwards.
8. [In their report published on 19 August](#), the IFS concluded that:
  - 8.1. Councils forecast spending pressures of £4.4 billion during 2020/21 and a £2.8 billion shortfall in non-tax income. Taken together, this means in-year pressures are forecast to be £7.2 billion, with billions of pounds more in losses in local tax collections also hitting councils’ main budgets from next year.
  - 8.2. Councils have been provided with £3.6 billion of additional general-purpose grant funding and following stakeholder discussion IFS assume that they have access to around £0.3 billion of specific grant funding and £0.3 billion in other non-grant support to address their stated spending pressures.
  - 8.3. Councils could have almost £1 billion of losses in sales, fees and charges (around half the total) compensated by the new compensation scheme – this is tentative as the data available so far does not allow for modelling of the scheme accurately.
  - 8.4. The forecast pressures exceed the funding and support provided by central government by £2.0 billion across the sector as a whole.

- 8.5. Uncertainty about pressures and funding availability means there is scope for the gap to be much bigger or smaller. For example, if pressures in the remainder of the year are two-thirds (as opposed to less than half) of those between April and June, the shortfall would be around £3.5 billion.
9. The next phase of the IFS work, currently intended to be published in late September, will explore the longer-term financial position of local government. We will keep the Resources Board up to date on the progress and findings of this work.

### **COVID-19: administration of support for businesses**

10. As part of the Government's coronavirus business support package, the UK government at the beginning of April distributed £12.3 billion to local authorities in England to distribute through two separate grant schemes, both linked to business rates. These were the Small Business Grants Fund and the Retail, Hospitality and Leisure Business Grants Fund. They announced a smaller Local Authority Discretionary Grant in May, up to a total of £617,000.
11. The grant schemes closed, to new applications, on 28 August, the Department for Business, Energy and Industrial Strategy has continued to publish [weekly data updates](#) on progress of delivery of the grant. At the time of writing, according to the latest update published on 2 September, £11.01 billion has been paid out to businesses in relation to over 897,000 properties. This represents 89.3 per cent of the total allocation and 93.3 per cent of the total number of properties identified by councils as eligible to receive the grants.
12. In terms of the discretionary scheme, even though they have asked for data to be reported weekly, BEIS have only issued the figures for 5 July. These indicated that the total paid out was £239 million to 37,560 hereditaments. This represents only 39 per cent of the maximum sum of £617 million. However, we would expect this to have increased during August.
13. LGA and council officers have continued to engage extensively on all these schemes with Government officials, promoting the efforts of councils and raising issues relating to the schemes and interpretation of the Government guidance. When the closure of the schemes was announced [we estimated that £1.37 billion could be left unspent from all three schemes](#). We called for more time and flexibility to ensure as many businesses can benefit from this funding and for the Government to commit to redistributing any unspent resources from the original schemes, including any clawed back, to councils to be spent on local efforts to help further support businesses and reboot local economies.

### **COVID-19: Infection Control Fund**

14. Separately, the Department of Health and Social Care have provided £600 million through the Infection Control Fund up to the end of September. This funding has been allocated by local authorities to providers in accordance with guidance issued by the Department. Seventy five per cent of the funding has been allocated to care homes (based on the number of beds) with the remaining 25 per cent allocated at the discretion of the local authority often to help home care providers.

### **Business Rates Review**

15. The fundamental review of business rates was announced in the December 2019 Queen's Speech. Its terms of reference were published in March 2020 and a call for evidence on 21 July 2020. The [call for evidence](#) restated the aims of the review:
  - 15.1. reduce the overall burden on businesses from business rates;
  - 15.2. identify practical reforms that can improve growth and the sustainability of public finances;
  - 15.3. explore alternative systems of taxation.
16. Responses to the Call for Evidence are being sought in two tranches, Tranche One on the multiplier and reliefs closes on 18 September, and Tranche Two on wider reforms including valuations on 31 October.
17. Following a decision at the Executive Advisory Board in July the Business Rates Retention and Fair Funding Review Task and Finish Group was reformed and renamed the Business Rates and Local Government Finance Reform Task and Finish Group. This Group will be making recommendations to the Executive Advisory Board on LGA policy on business rates, council tax and wider local government finance reform.
18. The draft response to Tranche One of the Call for Evidence was referred to the LGA Executive Advisory Board for clearance at their meeting on 10 September. Officers will provide a verbal update on this.

### **Comprehensive Spending Review 2020: timings**

19. In July, the Chancellor announced that he will conduct a Comprehensive Spending Review (CSR) this autumn, covering three years of 'revenue' (day-to-day) spending and four years of capital spending. HM Treasury is accepting representations with a deadline of 24 September. The Chancellor has not confirmed when the CSR results will be announced. The LGA is planning to submit an official representation to HM Treasury in line with this deadline and the content of the representation is covered later in this paper.
20. We have already been working with MHCLG to assist the Ministry with building its bid. For example, a number of themed CSR roundtables, bringing together senior officials from MHCLG, HM Treasury, relevant Whitehall departments and local authorities are underway.
21. The Chancellor is also widely expected to deliver a Budget this autumn, although in terms of Whitehall procedure this does not need to happen until March 2021 at the latest. Should an autumn Budget go ahead, it is highly likely it would take place at the same time as the announcement of CSR results. The CSR submission also meets the requirements of a Budget submission.

**Comprehensive Spending Review 2020: IFS work on long-term council funding**

22. One of the underpinning elements of the LGA's Spending Review campaign has been the LGA's analysis of the funding gap facing local services. The latest LGA publication, aimed at influencing the then-cancelled 2020 spring Spending Review, was published in March and set out a £6.4 billion funding gap facing councils by 2024/25.
23. As part of work commissioned from the Institute for Fiscal Studies to independently examine the impact of COVID-19 on council finances, the IFS will deliver an independent estimate of the medium-term financial challenge facing councils. It is intended that the results of this work will replace the LGA's funding gap estimates for the purposes of our CSR submission. At the time of writing, this work is still in progress.

**Comprehensive Spending Review 2020: submission**

24. The draft LGA submission, discussed at LGA Executive on 10 September in draft form, is the result of an extensive collective effort to make sure that the LGA reflects the breadth and variety of concerns and issues raised by our members, and provides evidence to support as many of the proposals and asks as possible.
25. This broad and detailed approach necessarily results in a comprehensive and lengthy product. Instead of being seen as a single document, the submission should be seen as a collection of five standalone chapters, all coming together under a unified Executive Summary.
26. The five CSR submission chapters cover:
- 26.1. **Council funding and financial sustainability.** This sets out the 'core' financial asks of the submission and will be strongly anchored to the research commissioned from the Institute of Fiscal Studies to develop an independent estimate of the base funding gap that councils will have to deal with in the absence of Government intervention. It also sets out our proposals for local taxation reform and general comments about capital investment, including the Treasury's review of the Green Book.
- 26.2. **Care and health inequalities.** This sets out LGA proposals and evidence regarding pressures that adult social care, children's services (including education) and public health services face. On the latter, it sets out a series of investment proposals to improve the health of the nation. It briefly covers the LGA's principles for adult social care reform.

- 26.3. **Climate change and the environment.** This sets out the LGA's policies on climate change adaptation, building towards the Government's net zero 2050 target, implications of waste and recycling reform and the Environment Bill and other environmental policy matters.
- 26.4. **Economy and 'levelling up'.** This focusses on our proposals for infrastructure investment in areas such as roads and public transport, devolution of skills powers and other connected issues, such as tackling homelessness.
- 26.5. **Great places to live.** This covers the public realm, for example the cultural sector, investment in housing, planning and community safety policies. It makes the case for investment to help councils improve local environments.
27. The vast majority of content is based on existing LGA policy positions.

#### **National Audit Office (NAO) Consultation on external auditors' work on Value for Money (VFM) Arrangements**

28. The National Audit Office has [consulted](#) on draft guidance to external auditors in undertaking Value For Money work under the new Local Audit Code of Practice. In our [response](#), which was cleared by lead members of Resources Board, we were generally supportive of the new guidance, but we raised concerns over the impact on resources from the new arrangements (both in terms of fees and in councils) and called for this to be made clear. We also asked that, as well as identifying weaknesses, auditors should recognise and report on good practice when they find it

#### **Next steps**

29. Members are asked to note this update.
30. Officers will proceed with the delivery of the LGA's work on local government finance issues.

#### **Implications for Wales**

31. Local government funding is a devolved matter and the Welsh LGA is undertaking its own work programme. We are in regular contact with the Welsh LGA and the other local government bodies in the devolved nations to exchange intelligence, ideas and consider joint work.



**Resources Board**

15 September 2020

**Financial Implications**

32. The work related to COVID-19 has been added to the LGA's core programme of work. This unbudgeted spending will be managed within the overall LGA Group funding position which the LGA Board is monitoring.



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