



Government
Association

Resources Board

Agenda

Tuesday, 17 November 2020
2.00 pm

Via Zoom

Resources Board
17 November 2020

There will be a meeting of the Resources Board at **2.00 pm on Tuesday, 17 November 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.

Conservative:	Group Office: 020 7664 3223	email: lgaconservatives@local.gov.uk
Labour:	Group Office: 020 7664 3263	email: labour.grouplga@local.gov.uk
Independent:	Group Office: 020 7664 3224	email: independent.grouplga@local.gov.uk
Liberal Democrat:	Group Office: 020 7664 3235	email: libdem@local.gov.uk

LGA Contact:

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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 2020/21

Councillor	Authority
Conservative (7)	
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
Substitutes	
Cllr Graham Gibbens	Kent County Council
Cllr Andrew Leadbetter	Devon County Council
Cllr David Leaf	Bexley Council
Labour (7)	
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
Substitutes	
Cllr Abdul Jabbar MBE	Oldham Metropolitan Borough Council
Cllr Adam Swersky	Harrow London Borough
Cllr Harpreet Uppal	Kirklees Council
Liberal Democrat (2)	
Cllr Keith House (Deputy Chair)	Eastleigh Borough Council
Cllr Adam Paynter	Cornwall Council
Substitutes	
Cllr Mike Bell	North Somerset Council
Independent (2)	
Cllr Jason Zdrozny (Deputy Chair)	Ashfield District Council
Cllr Phelim MacCafferty	Brighton & Hove City Council
Substitutes	
Cllr Loic Rich	Cornwall Council

Agenda

Resources Board

Tuesday 17 November 2020

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Date of Next Meeting: Tuesday, 2 March 2021, 2.00 pm, Venue TBC

Business plan 2019-22 - 2020 review and update

Purpose of report

For information.

Summary

In October 2019, following a series of consultations and discussions, the LGA Board approved a new 3-year [business](#) plan, built around the United Nations sustainable development goals and comprising:

- six policy priorities with supporting targets
- a Supporting Councils priority with associated improvement targets and
- our internal/operational plan

Whilst the six policy priorities agreed at the time continue to reflect the sector's priorities, LGA Board resolved at their September meeting to add one additional priority – "*Narrowing inequalities and protecting communities*" – to reflect events over the past 8 months and the range of actions arising from them.

The business plan has now been revised and updated to include the additional priority and is attached at **Appendix 1**. It will be published as an interactive PDF with the design as in the current plan.

Recommendation/s

That the Resources Board note the 2020/21 update of the 3-year business plan as the basis for work programmes over the coming months.

Action/s

The updated plan will be published on the LGA website

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LGA business plan 2019-2022

2020 update

Introduction

2020 introduction to LGA Business Plan 2019-2022

Every day councils make a difference, delivering essential services that improve the lives of millions. The COVID-19 pandemic has demonstrated the value of local leadership like never before, by providing much-needed support to people, businesses and communities that have protected lives and livelihoods.

We know that residents trust their councillors, as democratically elected leaders, to make the right decisions for them and their families, now and in the future. The Local Government Association's (LGA's) polling shows that [73 per cent of residents trust their local council](#) to make decisions about how services are provided in their local area.

These services assist vulnerable people, support the homeless into safe accommodation, deliver new homes, give children and young people with the best start in life, providing dignified care for vulnerable people, help local businesses, and combat climate change. Just a few of the everyday examples of councils supporting our nation where they need it most.

As we look forward, there is an important opportunity to address the inequalities the pandemic has exposed and that have remained entrenched for too long, to connect with people's identities and sense of community, and to rebuild the economy so that it benefits all of our residents.

It is therefore vital that we support councils to ensure they are equipped to meet the challenges we face today, are empowered to innovate and create services that are tailored to their localities, and are resilient to navigate what the future may bring.

This updated business plan sets out how the LGA will continue to support and be an advocate for councils. Our priorities have been reviewed and reshaped this year, to recognise the uncertainties facing local government and us as your membership body. We recognise that we will need to remain flexible, shifting our focus as the need arises.

Through our [#CouncilsCan](#) campaign we will make the case for a new settlement for English local government that gives councils and councillors the powers, freedoms, certainty and sustainable funding to transform our communities for the better.

Promoting the value of local government and supporting councils in their roles as community leaders remains our central mission. Alongside the challenges that a global pandemic brings, we

are moving into a critical period for local public services. This could include a three-year Spending Review, greater devolution of powers to local areas, significant planning reforms and the opportunity to make the case for a long-term settlement for social care. We will continue to be flexible, promoting councils' priorities on emerging issues such as new measures to coincide with the end of the EU transition period and on proposed changes to areas that are delivered locally, such as public health.

Our lobbying work will always centre around the things you tell us are important to you, as we work with government and Parliament to ensure that councils' ambitions for our communities are reflected in national decision-making. Through our sector-led improvement work, we have further developed our offer to provide councils with the support to assist the challenges of COVID-19 and its consequences while working closely with the Government on priority issues. We will continue to offer a helping hand to councils as they improve, innovate and seek to demonstrate their resilience now and into the future.

This business plan sets out the priorities that councillors and officers have told us you want us to focus on. It will be continually reviewed and tested out with our membership to ensure we are always providing the best possible support to councils.

Councillor James Jamieson
Chairman

Mark Lloyd
Chief Executive

Working for councils

The LGA is the national membership body for local authorities. Our core membership is made up of English councils and Welsh councils through the Welsh LGA.

We are politically-led and cross-party and we work on behalf of councils to give local government a strong, credible voice with national government.

We aim to influence and set the political agenda on the issues that matter to councils so they can deliver local solutions to national problems. We fight local government’s corner, supporting councils through challenging times and focusing our efforts where we can have real impact.

We also provide membership services to other organisations through our associate scheme, including fire and rescue authorities, national parks authorities, town councils, police & crime commissioners and elected mayors of combined authorities.

Our vision for local government

Our vision for local government is one of a vibrant local democracy, where powers from Westminster are devolved to local areas, and citizens have a meaningful vote and real reason to participate in civic and community life.

A return to economic growth offers prosperity to every place, with well-targeted and planned investment in infrastructure, training and housing that leads to jobs and a supply of affordable homes.

Public services focus on preventing problems as well as picking up the pieces, delivering positive outcomes for people of all ages in an environmentally sustainable way. Joined up services are built around people and their needs, enhancing the lives of individuals, families and communities and continuing to make local areas better places to live now and for future generations.

Our purpose and priorities

Our work on behalf of local government falls under two overarching themes

National voice of local government – we campaign to influence the political agenda and secure funding and powers on behalf of councils and we promote and defend the reputation of the sector

Supporting councils - we support councils continuously to improve and innovate through our programme of practical peer-based support underpinned by strong local leadership, through our support for collective legal actions and through our service delivery partnerships.

Our business – underpinning our work on behalf of councils is an efficient, cost effective and forward-thinking business; we are politically led, committed to equalities and diversity and we aim to operate in an environmentally and financially sustainable way.

Our three-year rolling business plan sets out our key priorities and commitments and demonstrates how our work will contribute to the delivery of the UN’s Sustainable Development Goals (SDGs).

The national voice of local government

We lobby and campaign to influence the political agenda and secure funding and powers on behalf of councils and we promote and defend the reputation of the sector

Over the next 12 months we will focus on the seven areas that councils tell us matter most to them:

Funding for local government

Fair and sustainable funding enables councils to plan and deliver essential public services beyond the short term, to raise more funds locally and to promote greater collective working across local public services.

Adult social care, health and wellbeing

Sustainable funding and better integration with health services enable councils to continue to support people to live safe, healthy, active, independent lives and to promote wellbeing and resilience for all ages.

Narrowing inequalities and protecting communities

Councils lead and work with diverse communities and partners to address inequalities and build safe, cohesive and resilient communities.

Places to live and work

Councils lead the way in driving inclusive and sustainable economic recovery, building the homes that people need and creating places where they want to live.

Children, education and schools

Councils have the powers and resources they need to bring partners together to deliver inclusive and high-quality education, help children and young people to fulfil their potential and offer lifelong learning opportunities for all.

Strong local democracy

A refocus on local democratic leadership, and a shift in power post-Brexit from Whitehall to local communities, leads to greater diversity of elected representatives, high standards of conduct and strong, flexible local governance.

Sustainability and climate action

Councils take the lead in driving urgent actions in their local areas to combat climate change and its impacts and to deliver zero net carbon by 2030.

17 Goals to Transform Our World

The Sustainable Development Goals are a call for action by all countries – poor, rich and middle-income – to promote prosperity while protecting the planet.

They recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection.



SUSTAINABLE DEVELOPMENT GOALS

Funding for local government

Fair and sustainable funding enables councils to plan and deliver essential public services beyond the short term, to raise more funds locally and to promote greater collective working across local public services.

CAMPAIGN - #CouncilsCan

With the right funding and powers, councils can continue to lead their local areas, improve residents' lives, reduce demand for public services and save money for the taxpayer.

The benefits to the country of investing in local government are clear and understood – we will:

- continue to highlight the pressures on all services and press for funding that reflects current and future demand, particularly for housing, homelessness, adult social care and children's services
- lobby Central Government to fully meet all costs and income losses arising from COVID-19 in 2020/21 and beyond
- continue to emphasise and evidence the impact, value and efficiency of local government services
- work with central and local government to identify a wider range of suitable and sustainable funding sources for council services in the future
- work with local and central government on a distribution mechanism for local government funding that supports long-term planning, is evidence-based, simpler and more transparent with appropriate transition mechanisms.

People have a meaningful local voice on a wide range of tax and spending decisions – we will:

- press for freedoms that lead to greater local financial autonomy with a view to achieving local control over both council tax and business rates
- lobby for improvements to business rates to help tackle business rates avoidance and develop proposals to improve the system, including valuation and the appeals process
- press for legislation to allow councils to raise more funds locally including new local taxes and set fees and changes which fully recover costs.

Councils are able to access a range of sources of finance to encourage investment and create jobs, supported by an appropriate financial framework – we will:

- further develop policy on capital financing and investing and contribute to national reviews in these areas so that they support and enable prudent investment and financial management
- contribute to reviews of the accounting and financial regulatory framework for councils to ensure it is appropriate, not over restrictive and balanced with local freedom and accountability
- support the United Kingdom Municipal Bonds Agency to deliver cheaper debt financing to councils, through the sale of bonds in the capital markets.

Fair and affordable pay awards enable councils to recruit and retain good staff – we will:

- convene the employer side of the collective bargaining arrangements to agree equitable and affordable pay awards for more than two million local authority and related employees, including fire and rescue authorities.
- provide evidence to the schoolteachers' pay review body and Low Pay Commission in relation to the National Living Wage.

Adult social care, health and wellbeing

Sustainable funding and better integration with health services enable councils to continue to support people to live safe, healthy, active, independent lives and to promote wellbeing and resilience for all ages.

SDG 3 – Good health and wellbeing

Ensure healthy lives and promote wellbeing for all at all ages

CAMPAIGN - The lives we want to lead

We want to build a society where everyone is supported to live a healthy, fulfilled and independent life, staying at home and contributing to family and community life for as long as possible - but escalating funding pressures and increasing demand are threatening that ambition. Our campaign calls for sustainable long-term funding that gives people the care and support they need now and in the future.

Councils secure sufficient resources to deliver effective, integrated social care services – we will:

- continue to lobby for the short, medium and long-term financial sustainability of adult social care and support, arguing that all options, including national taxation, should be considered
- work with government to agree a sustainable, long term funding deal for public health.
- press for an independent review of adult social care pay and full funding for subsequent changes.

Councils lead the debate on the future vision for health and social care – we will:

- promote a clear vision of councils' role in planning and delivering integrated health and care; continue to promote health and wellbeing boards as leaders of health and care and support councils and their partners to develop and deliver place-based person-centred support.
- continue to press for a long-term policy framework for the Better Care Fund (BCF), with lighter touch reporting and greater emphasis on local targets
- continue to lobby for councils and councillors to have a key role in sustainability and transformation partnerships, integrated care systems and wider NHS planning arrangements.

Councils support older people, disabled people and people in vulnerable circumstances – we will:

- support councils to tackle the challenges and exploit the opportunities of a population with increasingly complex needs, including improving dementia and mental health services, carers' support and support for those with autism and/or learning difficulties
- continue to support councils to deliver the Armed Forces Community Covenant.

Councils work actively with the NHS to build health and care services around the needs of local populations – we will:

- work with NHSEI and other national partners to ensure that councils and health and wellbeing boards, are meaningfully engaged in developing integrated care systems and their implementation plans
- work with national partners to increase the understanding of, and commitment to, planning and delivery at place level and the leadership role of councils
- support councils to work with NHS and other partners to ensure that implementation plans build on existing priorities to improve health and wellbeing and are subject to democratic oversight and scrutiny
- work with the NHS to manage the pandemic, learning the lessons and promoting local accountability and closer working through the NHS bill and wider work.

Councils have a central role in promoting health and wellbeing locally – we will:

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- work to strengthen the position of councils as public health leaders.
- continue to make the case for long-term financial sustainability of public health services and support councils to understand the importance of preventative approaches.
- work with the NHS and partners to develop a system-wide approach to public health workforce planning and address urgent staffing issues in children's public health.
- lobby for long-term sustainable funding for leisure, culture and park services which play an important part in people's physical health and mental wellbeing and tackling health inequalities.

Narrowing inequalities and protecting communities

Councils lead and work with diverse communities and partners to address inequalities and build safe, cohesive and resilient communities.

SDG 10 – Reduced inequalities
Reduce inequalities within and among countries
SDG 11 – Sustainable cities and communities
Make cities and human settlements inclusive, safe, resilient and sustainable

Councils lead and work with diverse communities and partners to address inequalities and build cohesive and resilient communities – we will:

- review and strengthen the LGA’s work on reducing inequalities, promoting equality through our policy messages and lobbying and our improvement and leadership support to councils.
- promote and support councils in developing the diversity of their candidates, elected members and senior leadership
- underline the need for a strong commitment to tackling health inequalities and ensure that local government concerns and priorities resulting from the impact of COVID-19 on their communities are heard by government
- support councils as they address the inequalities exposed by the COVID-19 pandemic, with particular regard to those from ethnic groups most affected by the virus and to children and young people whose development and futures will be affected by the containment measures.

Councils lead the way in shaping communities where people feel safe – we will:

- lead the debate on councils’ role in building safer and resilient communities and support them to reduce serious violence, domestic abuse, female genital mutilation and anti-social behaviour
- represent councils’ interests in the UK’s developing modern slavery policies, as we work collaboratively with partners to tackle this
- contribute to the independent review of Prevent and the counter-extremism strategy, ensuring that councils are supported to build community cohesion, promote integration, tackle extremism and deliver the Prevent duty.
- lobby for the resources, powers and data councils need to manage local outbreaks of COVID-19, including shielding the clinically vulnerable, and support them in their test, trace and outbreak management response through a sector-led improvement support programme.

Councils continue to play a leading role in the design and delivery of blue light and other services that help protect local communities – we will:

- work with the HSE and government to establish an effective, professional and fully funded system for regulating building safety
- lobby for sustainable funding for fire and rescue authorities and support them to become more inclusive and representative of their communities and to strengthen their leadership and governance.
- support the fire and rescue sector’s response to Phase 1 of the Grenfell Inquiry and strengthen their ability to take forward the fire reform agenda and the findings from Her Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS)
- support police and crime panels and share best practice
- work with councils to review and share learning from the COVID-19, to help strengthen community resilience and future emergency responses.

Children, education and schools

Councils have the powers and resources they need to bring partners together to deliver inclusive and high quality education, help children and young people to fulfil their potential and offer lifelong learning opportunities for all.

SDG 3 – Quality education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

SDG 10 – Reduced inequalities

Reduce inequalities within and among countries

CAMPAIGN - Bright Futures: children’s social care and mental health services

Helping children and young people to fulfil their potential is the ambition of all councils, but services that support them to do so are under increasing pressure. Our campaign calls for the services that change children’s lives to be properly funded so that all children can have the bright futures they deserve.

Councils lead the way in driving up educational standards – we will:

- set out a clear vision for councils’ role in promoting high educational standards, with the resources, powers and flexibilities to give every child access to a place at a good local school
- lobby for a stronger role for councils in investing in schools - ensuring new schools are high quality, fit for and value for money- and a lead role in decisions about new free schools
- press for a stronger council role in ensuring admissions are fair for all pupils across the school system.

Schools have the funding they need to deliver the best education for all pupils – we will:

- lobby to ensure the national funding formula for schools retains an element of local flexibility to allow councils and schools to reflect local needs and priorities
- highlight the growing pressures on the high needs budget and lobby government to provide councils with sufficient funding and flexibility to meet rising demand and eliminate High Needs deficits
- lobby for flexibility in use of the apprenticeship levy and work with partners to increase take up of quality apprenticeships in schools.

Councils have the flexibility and resources to deliver services that meet the needs of children and young people – we will:

- encourage councils and the Government to put children at the heart of policy making
- continue to paint a positive vision for local children’s services, calling for adequate funding for services, that change children’s lives through our Bright Futures campaign,
- support councils to take a preventative and place-based approach to children and young people’s health, including early years, childhood obesity and support for children's mental health
- work in partnership to improve life chances for disadvantaged households, particularly those with young children, making the case for early intervention and improved integration of services for families.

Councils protect children’s wellbeing and keep them safe – we will:

- support councils to protect children and young people from harm and improve outcomes for all children, in particular children in care and care leavers
- work with government and councils to support child refugees and unaccompanied asylum seekers safe, pressing for improved funding to better cover costs, including for those leaving care
- support councils to tackle the challenges of child criminal exploitation and county lines issues.

Places to live and work

Councils lead the way in driving inclusive and sustainable recovery, building the homes that people need and creating places where they want to live.

SDG1 – No poverty
End poverty in all its forms everywhere
SDG 8 – Decent work and economic growth
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
SDG 9 – Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

Councils drive the increase in housing supply the nation needs – we will:

- continue to press for additional powers for councils to increase housing supply, promote both affordable and carbon-free homes and make more effective use of surplus public sector land
- support consortia of councils to access significant housing development funds through the creation of new partnership models
- press for powers for councils to ensure the provision of homes integrated with health and care that positively support us to age well
- lobby for a well-resourced and locally responsive planning system, funded by locally set fees with the tools to ensure developers build quality homes that meet local need.

Councils have access to funding to create communities where people want to live – we will:

- continue to press for additional infrastructure funding, including a review of the rules governing developer contributions
- support councils to work with partners to maximise the value of local and national infrastructure investment, including in road, rail, broadband, culture, heritage and recreation
- work to secure the £5 billion of regeneration investment guaranteed to local economies from EU structural funds to 2020 and lobby for alternative UK sources after we leave the EU.

Councils continue to drive higher safety standards across the housing sector – we will:

- lobby for resources and tools to enable councils to shape a good quality private rented sector that meets the needs of their local communities
- work with government and councils to identify high-risk, high-rise residential buildings and lobby for support for councils to make changes and take urgent remedial action
- respond to government consultations, including on the new building safety regulatory framework.

Councils lead the way in ending homelessness through prevention – we will:

- lobby for the resources to enable councils to manage the housing impacts of welfare reform and achieve the ambitions of the Homeless Reduction Act and Rough Sleeping strategy
- make the case for adaptations to welfare reform and for the powers and funding that councils need to meet local needs
- with the Chief Executives' and Home Office group on asylum dispersal, inform the development, delivery and funding of support for asylum seekers and refugees and share good practice.

Councils support strong communities through risk-based business-friendly regulatory services – we will:

- press for powers and resources where councils take on additional legal liabilities such as building regulations post-Grenfell and proposed new air quality requirements
- support councils to demonstrate the value of regulatory services and lobby for sustainable funding
- lobby government to bring forward taxi licensing legislation as soon as possible
- press for greater flexibility in the licensing system, including the localisation of licensing fees.

Councils are key partners in delivering the government's national economic strategy – we will:

- support city regions and non-metropolitan areas to deliver effective local economic strategies
- advocate for a voice for councils in the development of a new English land management policy, and for communities to be involved in deciding how their local natural assets are managed
- support local innovation to deliver a better digital infrastructure and continue to press for a regulatory framework that will deliver the best deal for customers
- continue to press for strong local government representation on Local Enterprise Partnerships and improved oversight and scrutiny of them
- support councils to maximise the impact of their cultural, sporting and heritage assets to drive growth in their local visitor economy.

Councils match education, training and skills with business needs – we will:

- continue to press for powers, funding and lead responsibility for councils to integrate and commission back to work, skills, apprenticeships and welfare support under the *Work Local* model.
- campaign for people of all ages to be supported to participate in quality skills development and training and lifelong learning with independent careers advice and guidance
- promote good employment practice that helps young people and adults secure, sustain and progress in work, including Apprenticeships.

Strong local democracy

A refocus on local democratic leadership and a shift in power to local communities post Brexit leads to greater diversity of elected representatives, high standards of conduct and strong, flexible local governance.

SDG 16 – Peace, justice and strong institutions

Promote peaceful and inclusive societies for sustainable development, provide justice for all and build effective, accountable and inclusive institutions

Councils as leaders of good conduct in public and political discourse and debate – we will:

- clearly articulate the standards expected for anyone engaging in public and political discourse and debate and what is needed to achieve those standards, underlining that intimidation and abuse of those in public office is unacceptable
- review the member model code of conduct and support our member councils in addressing intimidation and abuse of those in public office
- support to councils to explore ways of engaging with their local community and voluntary sector in local service delivery, enhancing places and local decision making.

Elected members and officers are empowered to tackle incidents of public intimidation – we will:

- explore the practicalities and support the adoption of an informal ‘duty of care’ for councillors
- seek to better understand the scale and impact of the intimidation and abuse our membership is experiencing and promote a new offence for intimidation against a person in public office
- engage with police forces and associated agencies to ensure the impact and seriousness of the public intimidation of local councillors and employees is understood and acted upon.

EU exit and constitutional reform – we will:

- interact with Whitehall on all EU Exit negotiations, articulating councils’ needs and concerns and taking advantage of the opportunity to entrench local government within our new constitutional settlement
- continue to support councils to prepare and deliver a successful transition for EU Exit, with a robust evidence base setting out the risks and opportunities across the country
- press for quick and decisive responses and for all Government communications to councils to be focused, clear, and direct
- ensure that repatriated laws and regulations are not centralised in Whitehall, working on a revised legal framework for those services currently based on EU laws such as air pollution, energy, waste and procurement and redefining regional aid and state-aid rules.

Continued devolution of powers and funding to local areas drive strong and responsive local democracy and greater engagement with communities – we will:

- refresh the case to demonstrate to government how devolution leads to more inclusive and sustainable growth, better public services and improved outcomes for residents
- work with government, business and others to give communities in England and Wales greater responsibility to make decisions on the issues of importance to them.

Sustainability and climate action

Councils take the lead in driving urgent actions in their local areas to combat the negative impacts of climate change and to deliver zero net carbon by 2030.

SDG 13 – Climate action

Take urgent action to combat climate change and its impacts

Councils have the powers and resources they need to lead the way in combatting the effects of climate change – we will:

- lobby for a joint taskforce with relevant Whitehall departments including Department for Business, Energy & Industrial Strategy (BEIS), Ministry of Housing, Communities and Local Government (MHCLG) and Defra to consider the most appropriate actions, funding, coordination and collaboration
- press government for the funding and policy changes needed to deliver zero net carbon by 2030
- work with government to address the need for greater energy efficiency in the built environment and how this can be achieved through planning practice and changes to Building Regulations
- work with government, as it implements the Waste and Resources Strategy to identify ways to reduce waste and levels of unrecyclable waste and the investment priorities for waste disposal and processing of recyclates.

Councils lead the way in researching and developing alternative transport options – we will:

- establish the resources and regulatory changes needed to support a move to electric vehicles, including provision of charging points on new housing developments and electrification of council and council-contracted vehicle fleets
- identify the incentives and investment required to support a shift towards public transport and walking and cycling, as part of the solution to reducing carbon emissions.

Councils work with partners and stakeholders to implement short, medium and long term strategies to reduce carbon emissions in their areas – we will:

- develop guidance and share best practice, including identifying the top 10 actions councils can take to address carbon emissions in their areas, recognising that one-size does not fit all
- drawing on international experience, develop an evidence base and framework to understand the main carbon sources and the impact of councils' activity
- identify the opportunities of a shift to a low carbon economy as a basis for immediate and effective action
- ensure that the LGA as the membership body for local authorities is modelling best practice in the way it conducts its own business.

Supporting Councils

We support councils continuously to improve and innovate through a programme of practical peer-based support underpinned by strong local leadership and through our service delivery partnerships.

The LGA's sector led improvement programme continues to provide a responsive and flexible offer and remains in a strong position to respond and adapt to councils' needs as circumstances evolve, particularly in the context of COVID-19.

We work closely with councils to understand their future support needs with a view to developing a longer-term offer. Our offer will continue to adapt as the opportunities and challenges facing councils change within the current context

Our core offer is funded by MHCLG grant and has been rapidly refocused to support councils in their response to COVID-19 as well as identifying longer term support needs. We also receive funding from the Department of Health and Social Care for our Care and Health Improvement Programme, whilst our children's improvement programme is funded by the Department for Education (DfE).

We have developed a new offer linked to climate change and the challenges and opportunities of moving to a zero-carbon economy.

We also receive funding from other government departments for specific sector-led improvement activities, including:

- One Public Estate – funded by Cabinet Office and MHCLG
- Cultural services and sport – in partnership with Arts Council England and Sport England
- Planning Advisory Services – funded by MHCLG
- Return to Work programme – funded by the Government Equalities Office
- Cyber security – funded by the Cabinet Office.

Our commitments will continue to be updated to ensure they match councils needs across the period of this business plan.

Challenge and support from peers – we will:

- maintain an overview of councils' performance to drive improvement, manage the risk of significant underperformance, provide support for councils facing the greatest financial challenges (particularly in the light of COVID-19) and minimise government intervention
- create dedicated programmes in response, including Recovery and Renewal panels, among other forms of remote support in response to COVID-19.
- deliver peer challenges to all councils who request them, including corporate, service specific, financial and place-based. The format will be continually reviewed in light of COVID-19.
- provide member peer support for councils under a change of political control, including new e-learning opportunities, mentoring and advice
- support councils to resolve issues between political and managerial leadership
- support councils in engaging with their communities in light of COVID-19
- provide free council and public access to transparent performance information through LG Inform and LG Inform VFM, with additional charged access for councils to small area data reports and improvement tools through LG Inform Plus
- support councils to develop scrutiny skills and expertise through the Centre for Governance and Scrutiny.

Strong and resilient political and officer leadership – we will:

- support many hundreds of councillors through our leadership programmes both remotely and through onsite learning. Will continue to review the suite of programmes to ensure councillors and officers have the skills they need to respond to the challenges of COVID-19.
- support councillors with the potential to progress in their political careers through our Next Generation programme
- support the leadership development of chief executives, managers and rising talent in councils, in partnership with SOLACE
- help councils, political groups and national parties to attract new talent into civic life through our Be a Councillor programme
- recruit high calibre graduates to the National Graduate Development Programme, working with councils to secure challenging placements
- help councils to address inequalities, gender pay gap, ethnicity gap and support the roll out Disability Confident
- maintain national negotiating machinery on pay and workforce issues
- provide specialist advice and support for the Local Government Pension Scheme
- deliver comprehensive practical support to help councils provide apprenticeships and maximise their levy investment
- support councils to transform their workforces and modernise the way they are managed
- support councils to promote wellbeing, diversity and inclusion in the workplace through information, guidance and bespoke support and work with them to address issues around gender pay gap, representation and recruitment challenges
- attract qualified staff in hard-to-recruit areas back to local government through the Return to Work programme, including social workers, town planners and IT staff.

Councils supporting growth – we will:

- provide practical support to help councils deliver economic growth in their areas in a COVID-19 context, become more efficient and improve outcomes for communities
- in line with the revised national procurement strategy, deliver a support programme to help councils improve their procurement arrangements
- capture and share intelligence about major suppliers to reduce the risk from suppliers getting into financial difficulty in the current uncertain economic circumstances
- support councils to develop a more commercial approach to their activities within the COVID-19 context, through a series of courses, events and sharing good practice
- provide expert financial support, expertise and advice to councils to address specific issues, particularly in relation to COVID-19
- equip more councils with the skills and confidence to use design and behavioural insights to improve public services and respond to COVID-19
- support councils to exploit the opportunities of digital tools and solutions to enable local residents and businesses to access council services online
- with councils, sector representative bodies, MHCLG, Cabinet Office and the National Cyber Security Centre, highlight the importance of cyber security and cyber resilience to protect data and systems
- share best practice of councils who are finding new and effective ways of working to secure outcomes for their communities
- with Local Partnerships, support councils to make savings by providing commercial advice and support on matters of legal and contractual complexity.

Strong communities with excellent public services – we will:

- through practical bespoke support, help councils deal with the housing, planning and homelessness challenges through the Housing Advisers programme and other sector-wide projects

- provide peer focused support to the Next Steps Accommodation Programme to support interim accommodation for vulnerable people.
- offer a mixture of generic and bespoke support for combined authorities, elected mayors and those areas in the process of developing their devolution arrangements
- support councils to counter extremism and contribute to a multi-agency approach to preventing and tackling serious violence
- strengthen fire and rescue authorities' ability to take forward the fire reform agenda by strengthening their strategic leadership
- support councils to prepare and deliver a successful transition for EU exit
- support councils to embed strengthened approaches to civil resilience and mutual aid through working with MHCLG team to develop training, guidance and other materials for councils

Improving health and care service – we will:

- co-produce with ADASS the sector led improvement programme for care and health
- support social care and health integration and the transforming care programme for people with learning disabilities and/or autism
- support councils to use technology to improve joint working between councils and health partners to enable people to live independently
- help councils develop innovative, efficient and sustainable approaches in care and health services
- work with partners to support councils to develop and improve local services and offer a programme of leadership development
- develop and deliver a support offer to help councils and their partners embed the Making Safeguarding Personal (MSP) approach
- support councils and their partners to identify and manage sustainability and delivery risks
- work with partners to develop a new suicide prevention sector-led improvement offer
- work with partners and DfE to deliver a sector-led approach to improving children's services.

Improving children's services – we will:

- provide nationally accredited and quality assured courses for practitioners and associates engaging in peer review, challenge or diagnostic activity
- run Leadership Essentials courses for members with lead responsibility for children's services
- publish a series of 'must know' packs for councils, including on corporate parenting
- develop and/or broker a flexible offer of diagnostic or peer review tools either bespoke to individual authorities, as part of a regional offer or commissioned by the DfE for authorities in intervention
- offer mentoring support for councillors with lead responsibility for children's services.

Combating climate change – we will:

- bring together local authorities, universities and other stakeholders to address climate challenges at the local level
- incorporate climate change issues into core leadership programmes for councillors and officers
- develop a package of communications support including how to engage with local activist groups
- help councils build capacity to effectively respond to climate change challenges, including support around leadership, behaviour change and collaboration
- support long term action-planning and setting strategic objectives, including through webinars and bespoke projects

Our Business

We are committed to providing the best and most cost-effective services to councils and councillors across England and Wales. We are politically led, committed to equalities and diversity and we aim to operate in an environmentally and financially sustainable way.

The national membership body for local government – we will:

- develop maintain membership levels amongst local authorities in England and Wales by continuing to offer membership benefits that meet the sector's changing needs and expectations
- launch a new online membership resource, setting out the benefits of membership with councils and councillors
- offer a range of flexible options for councils to participate actively in our work including through an extensive programme of virtual and hybrid events and meetings
- seek to attract organisations with an interest in local government into our associate scheme.

A politically-led organisation – we will:

- reflect the overall ambitions of the UN Sustainable Development Goals, and the motion passed by the 2019 General Assembly, in the way that we work and ensure that our own organisation reflects best practice
- ensure our member governance arrangements continue to reflect and respond to current priorities and the expectations of our membership
- offer political support to individual councillors and council administrations through our political group offices
- ensure that combined authorities, authorities with devolution deals and elected mayors are appropriately represented on our governance arrangements.

Using communications to persuade and influence and support councils – we will:

- deliver first class communications that are highly valued and respected by local government and our stakeholders, to influence the issues that matter to councils, their residents and their communities
- through our communications improvement work, support councils and help to raise the standard of public sector communications.

Financially sustainable – we will:

- continue to develop existing and new income generation opportunities in order to diversify our sources of funding and ensure the long-term financial sustainability of the organisation
- complete the refurbishment of Layden House in Farringdon to increase its capital value and maximise our income from commercial letting of here and 18 Smith Square.
- review options to maximise income from 18 Smith Square in the light of COVID-19 restrictions and the risks, constraints and potential new opportunities that presents.
- invest responsibly and seek to ensure that our contractors, joint ventures and pension funds have in place investment policies that further our objectives
- continue to progress the transfer of pensions from Camden to Merseyside scheme.

Efficient business management – we will:

- continue to streamline our company structures to deliver a solid and tax-efficient base from which to run our business, including the transfer of 18 Smith Square and Layden House to the LGA and the winding up of LGMB and LGA Properties.
- enter into a new ICT contract with Brent Council/Shared Services and with them, continue to develop our ICT to support improved efficiency and our new culture of flexible working.

- equip our 18 Smith Square meeting rooms with the technology to support a culture of flexible working for both employees and members.
- ensure that the suite of policies and procedures that underpin our business are comprehensive, clearly understood, updated regularly and reflect best practice.

Supportive people management – we will:

- continue to roll out the leadership development programme for our current and aspiring managers as part of our wider commitment to develop our employees, including virtual and hybrid options to allow everyone to participate
- deliver our employee health and wellbeing strategy
- monitor staff wellbeing and feedback through our regular “temperature check” surveys and put in place support and policies that reflect our new more flexible working practices
- embed equality, diversity and inclusion into our core values, our policies and our practices.

Collective legal action – we will:

- support groups of councils to mount collective legal actions or fight actions against them where we believe that they have a strong case, commissioning expert legal advice and sources of funding where appropriate
- prepare New Burdens submissions on behalf of the sector where new legislation or regulations result in additional duties or costs to councils.
- provide legal advice on strategic issues with sector wide implications, including commissioning expert legal advice where appropriate.

Committed to a sustainable future – we will

- keep our policies and practices under review to ensure that they reflect the ambitions of the UN Sustainable Development Goals and contribute to combatting the adverse effects of climate change
- encourage sustainable travel practices through our expenses policy, our flexible working practices and our continued participation in national sustainable travel initiatives including the Cycle to Work scheme
- minimise the environmental impact of our two central London buildings and the way that we use and manage those buildings, including ensuring that our facilities management and catering contractors have environmentally sustainable policies and practices.

Our service delivery partnerships

Local Partnerships

Local Partnerships is a joint venture between the LGA and HM Treasury, formed in 2009 to help the public sector deliver local services and infrastructure. It offers support to local authorities in the following areas:

- developing and reviewing strategic business cases and business plans
- service transformation and change
- modelling and legal frameworks for alternative service delivery models
- options appraisal and assurance of chosen approaches or options
- forming effective partnerships (inter-agency brokerage)
- sourcing and commissioning, contract negotiation and management
- economic development and planning
- delivering infrastructure.

GeoPlace

GeoPlace is a joint venture between the LGA and Ordnance Survey, formed in 2010 in response to a government call to bring together existing creators and suppliers of addressing data to one central place and to build a single, definitive address database. It works in close collaboration with local authorities to:

- cleanse and validate the address and streets data produced by councils
- create and maintain national “gazeteers” - registers of address and streets data
- provide support and training to councils ensure that they are able to produce high quality, and timely data in the most cost-effective way.

Public Sector Audit Appointments (PSAA)

PSAA is an independent company limited by guarantee incorporated by the LGA in August 2014. The Secretary of State for MHCLG has specified PSAA as an appointing person under the provisions of the Local Audit and Accountability Act 2014. PSAA appoints an auditor to relevant local government bodies that opt into its national scheme and sets a scale of fees for the work which auditors undertake.

Local Government Mutual Limited and Local Government Mutual Management Services Limited

The Mutual is a shared ownership company between the LGA and a number of local authorities. Membership is only open to councils in membership of the LGA. The Mutual provides:

- indemnity to local authorities in England and Wales as a cost-effective alternative to the traditional insurance market, including cover for all classes of business
- risk management services to its member local authorities.

LGMMSL is a joint venture between the LGA and Regis Mutual Management that provides services to the Local Government Mutual.

United Kingdom Municipal Bonds Agency (UKMBA)

The LGA is a major shareholder in the local government-owned UKMBA, which delivers cheaper debt financing to councils, through the sale of bonds in the capital markets. We support and provide client side services to the Agency, as it works through its managed service provider to aggregate borrowing requirements and issue bonds.

Minimising the impacts of climate change

The LGA is committed to minimising the environmental impacts of its activities, reducing pollution and CO2 emissions and contributing to a healthy future for all. These are some of the ways that we deliver on that commitment.

Flexible working

Our flexible working policy allows staff to balance working from home with time spent in the office, subject to the needs of the business. This means less journeys to work and a better work-life balance for our staff and their families. It has also enabled us to reduce by a third the amount of office space that we occupy.

Our ICT is designed to support flexible working, enabling staff to log into their LGA accounts from home on the days when they are not in the office or from trains when they are on the move.

Travel

Our expenses policy encourages staff to use public transport wherever practicable to help reduce the impact of the LGA's business travel arrangements on the environment. The Members' Scheme of

Allowance stresses that wherever possible, councillors are expected to travel by public transport when on LGA business.

Meetings

All meeting rooms at 18 Smith Square have access to video conferencing facilities. This enables members and staff to join and participate in meetings remotely, reducing the need for lengthy journeys to Westminster.

18 Smith Square

Secure cycle facilities and showers are provided in the basement of 18 Smith Square for those who prefer to cycle or run to work.

All lights in the building are energy efficient LEDs, with motion sensors that ensure they are switched off when not needed. Windows on the south and west of the building which are not part of the conservation area are double glazed to reduce energy loss. Recycling bins are provided on every floor.

Procurement

The LGA has a robust procurement policy and process, which underpins the importance of all our contractors being able to demonstrate a commitment to sustainability and combatting climate change. Our procurement documentation states

“In adhering to our commitments, the contractor should have systems in place to account for and minimise environmental impacts in all areas of contract delivery”.

Our budget 2020/21

Funding sources and forecast expenditure (Budget) (£'000)

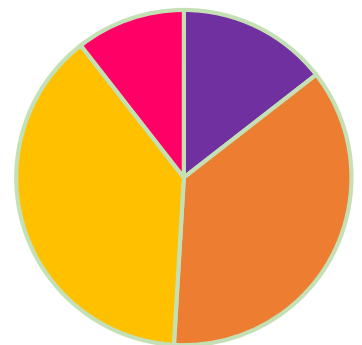
¹Income LG Group 2020/21

- CLG, £19,200 (29.9%)
- Other grants and contracts, £21,799 (33.9%)
- Other income, £13,751 (21.4%)
- Subscriptions, £9,525 (14.8%)



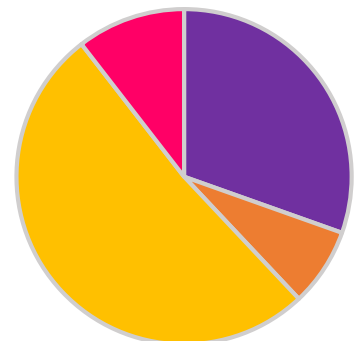
Other income LG Group 2020/21

- Dividends, royalties and interest, £1,992 (14.5%)
- Rental Income and external room hire, £5,014 (36.5%)
- Services, consultancy and other subscriptions, £5,296 (38.5%)
- Conferences, events and sponsors, £1,450 (10.5%)



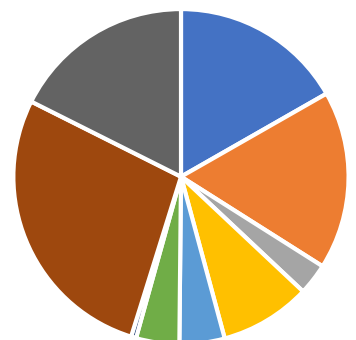
Grant and contract income (including CLG) LG Group 2020/21

- Adult social care, health and wellbeing, £12,477 (30.4%)
- Children, education and schools £3,099 (7.6%)
- Supporting councils, £21,126 (51.5%)
- Places to live and work, £4,297 (10.5%)



Expenditure LG Group by business plan theme 2020/21

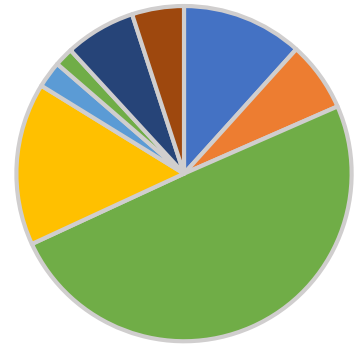
- Funding for local government, £10,652 (16.7%)
- Adult social care, health and wellbeing, £10,961 (17.2%)
- Narrowing inequalities and protecting communities £1,927 (3.0%)
- Places to live and work, £5,591 (8.8%)
- Children, education and schools, £2,773 (4.4%)
- Strong local democracy, £2,652 (4.2%)
- Sustainability and climate action, £311 (0.5%)
- Supporting councils, £17,546 (27.6%)
- Internal & property costs, £11,195 (17.6%)



¹ Design team to amend pie charts

Expenditure LG Group by service group 2020/21

- Business support, £7,434 (11.7%)
- Communications, £4,291 (6.7%)
- Governance and project support, £31,595 (49.7%)
- Finance and policy, £9,976 (15.7%)
- Member services, £1,629 (2.6%)
- Political groups, £1,157 (1.8%)
- Property costs, £4,337 (6.8%)
- Workforce, £3,187 (5.0%)



Our governance

From April From April 2019, the LGA’s responsibilities, assets and liabilities transferred from the previous unincorporated Association to a new company, whose Board of Directors – the LGA Board – is elected annually by the General Assembly. The General Assembly comprises representatives of every council in full membership of the LGA, or in corporate membership through the Welsh LGA. Further information on the company and the way it operates can be found in our Articles of Association and our Governance Framework.

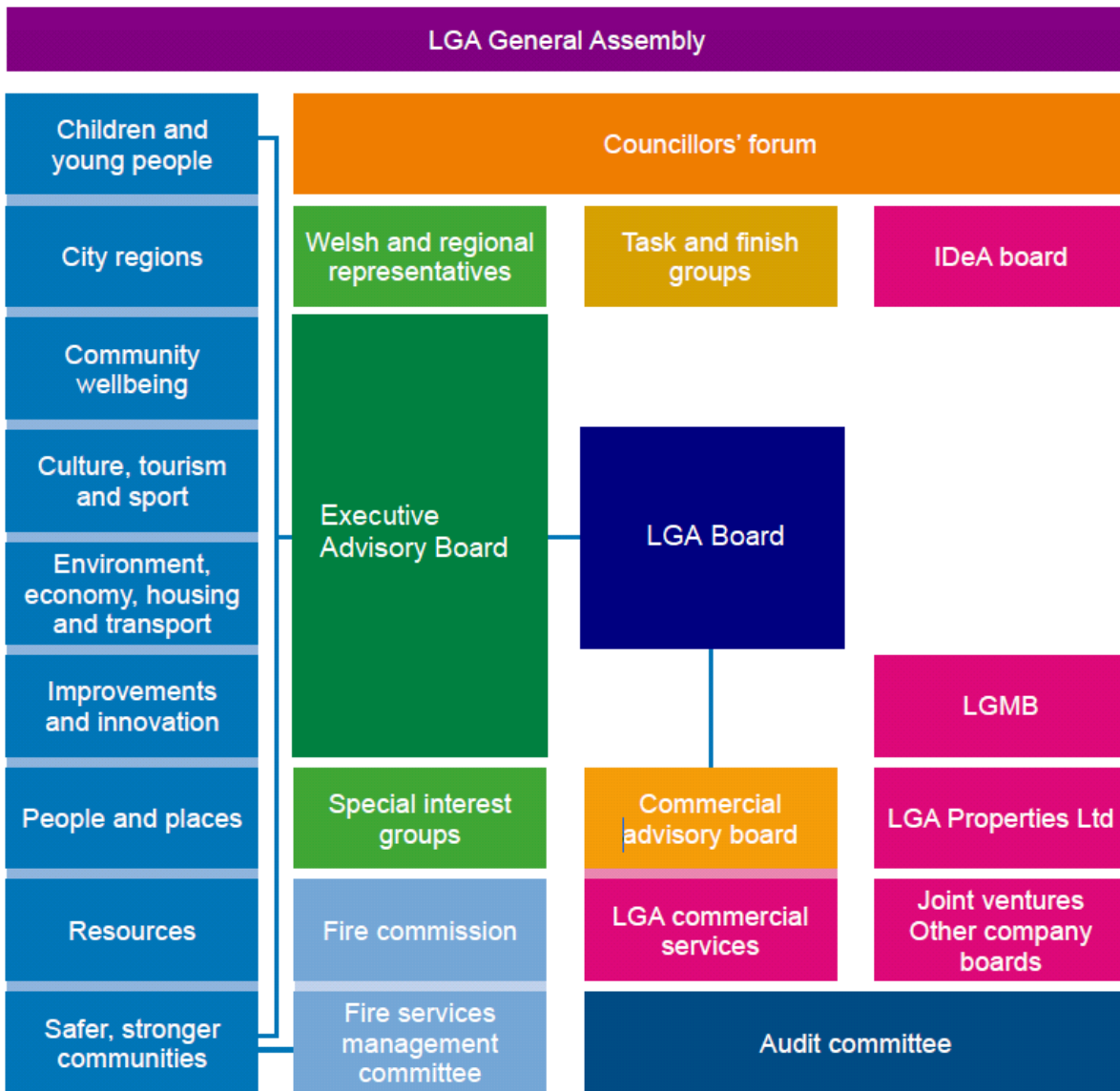
The LGA Board is supported by nine policy boards who together are responsible for developing our policies and campaigns, and for overseeing our extensive programme of sector-led improvement services, across every area of local government activity. The Fire Commission and Fire Services Management Board look after the interests of fire and rescue authorities,

The LGA Board and the chairs of the policy boards meet every six weeks as the Executive Advisory Board and are joined by representatives from Wales and the eight English regions and from three of our special interest groups – the County Councils’ Network, District Councils’ Network and Special Interest Group of Municipal Authorities.

The two property boards – LGA (Properties) Ltd and LGMB – are currently responsible for 18 Smith Square, our Westminster HQ, and Layden House, our investment property in Farringdon. However these are in the process of being transferred to the LGA company after which the two property boards will be wound up.

The Commercial Advisory Board is responsible for overseeing the LGA’s income-generating activities to make us financially sustainable now and in the future. That will include overseeing the management and operation of 18 Smith Square and Layden House and reporting back to the LGA Board.

The LGA's governance arrangements



Our major contracts

Catering – Bartlett Mitchell

Bartlett Mitchell (BM) provide all catering services at 18 Smith Square.

BM have been named Sustainable Caterer of the Year for three years in succession. Their policy is to source ingredients locally, regionally and seasonally from farmers who produce food to high environmental standards, reducing the impact of climate change and helping to protect the landscape and our farming heritage. BM use high-welfare meat, poultry, eggs, cheese, and dairy produce and sustainable seafood.

Overseas produce is sourced from ethical suppliers, including coffee from the Soppexcca co-op in Nicaragua which supports women farmers in the region. BM use the 'Free Wheeling' initiative to reduce the number of deliveries to their kitchens.

Total Facilities Management – Bouygues

Bouygues environmental policy recognises that the company's activities and services have the potential to impact on the environment. The policy sets out Bouygues' commitment to minimising the environmental impact of its operations in every way it can and is supported by 'live' environmental improvement plans at all levels.

The company is triple certificated to ISO9001, ISO14001 and OHSAS18001 and the environmental management standard ISO 14001 is fully integrated into its everyday activities.

Bouygues' Facilities Management business was the first in the UK to achieve Energy Management Standard ISO50001. They are currently focusing on reducing carbon impact, minimising waste, diverting waste from landfill and reducing energy.

Pensions – Merseyside Pension Fund and Camden Pension Fund

The LGA's main pension provider, Merseyside Pension Fund, has a policy of responsible investment. The policy has three components: exercise of voting rights; engagement with companies on environmental, social and governance issues & collaboration with like-minded investors. The Fund is active in the work of the Local Authority Pension Fund Forum whose work covers a range of corporate governance and corporate social responsibility issues, and the Institutional Investors Group on Climate Change.

Some employees belong to the Camden Pension Fund, who like all pensions funds, are bound by the law relating to Socially Responsible Investment (SRI) policy. The Fund believes that 'robust' engagement with companies is a better approach than placing restrictions on particular types of investment. It also believes that companies conforming to high ethical and social standards will produce shareholder returns that are at least comparable to those produced by other companies.

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 15 September. This includes work on COVID-19 issues and the 2020 Comprehensive Spending Review.

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 matters.

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Phone no: 020 7664 3197
Email: nicola.morton@local.gov.uk

Local Government Finance update

Introduction

1. This report provides a summary of the work by the LGA on funding and finance issues since the last Board meeting on 15 September including work in response to the COVID-19 pandemic and on the 2020 Spending Review.

COVID-19: National lockdown funding

2. On 31 October the Prime Minister announced a national lockdown period lasting from 5 November to 2 December. On 2 November the Government announced that single tier and county councils will receive a one-off payment of £8 per head to support local test, trace and contain activities and wider measures to protect public health and local economies. This Contain Outbreak Management Fund amounts to £465 million and was announced as part of the three-tier system. Where councils have already received funding from the three-tier system, it will be increased to the maximum of £8 per head, therefore councils already in the very high tier that have received funding of £8 per head will not receive additional funding.
3. A further £32 million will be allocated to single tier and county councils to enable them to support clinically extremely vulnerable (CEV) people allocated based on £14.60 per CEV person. This funding relates to the 28-day period the national restrictions are in force.

COVID-19: National lockdown support for businesses

4. On 3 November, The Department for Business, Energy and Industrial Strategy (BEIS) [published](#) details of the Local Restrictions Support Grant (Closed) which will enable billing authorities to give grants of up to £3,000 per business (with the amounts linked to rateable value) that is required to close for the period from 5 November to 2 December.
5. BEIS also announced [details](#) of the Additional Restrictions Grant (ARG) on 3 November. Billing authorities will receive a one-off lump sum payment amounting to £20 per head to run a discretionary grant scheme to support businesses and support business activities. Local authorities that previously entered very high tier restrictions may have already accessed additional enhanced business support settlements. These previous very high tier settlements are now part of the Additional Restrictions Grant. This resource can be used at councils' discretion in the financial year 2020/21 (and in 2021/22 for programmes started in 2020/21).
6. The 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.

COVID-19: Tranche 4 and local alert level funding

7. On 22 October, the Government [published](#) local authority allocations of the £1 billion announced by the Prime Minister earlier in the month:
 - 7.1 Of the £1 billion, £919 million is unringfenced funding allocated directly to councils based on the COVID-19 relative needs formula used in the allocation of tranche 3 funding, adjusted for allocations from the previous tranches, with a funding floor of £100,000 for each authority.
 - 7.2 The remaining £100 million of funding will be used to support council leisure centres. The Department for Digital, Culture, Media and Sport will administer the fund, details of which will be released shortly.
8. On 12 October the Prime Minister set out a three-tiered system of local COVID Alert Levels – medium, high, and very high. The Government [intends](#) to return to a tiered system on a local and regional basis after the national lockdown period.
9. The financial impact survey returns to MHCLG continue to be important, particularly as circumstances change and earlier returns may have assumed a quicker return to normal spending levels than is now the case.

Recent funding announcements

10. On 19th September the Government announced a payment of £500 to people on in-work benefits who are told to self-isolate by NHS Track and Trace, to be administered by Unitary and District councils. This scheme applies from 28th September and will last until 31 January 2021. To apply an eight-digit code from NHS Track and Trace, proof of qualifying benefits, a bank statement, and proof of employment must all be provided. Councils can also make a discretionary payment in exceptional circumstances to someone who meets the main qualifying criteria and could suffer financial hardship as a result of not being able to work.
11. Separately, the Department of Health and Social Care has provided £546 million through the Infection Control Fund (round 2) to support measures to reduce COVID-19 transmission and support workforce resilience in the adult social care sector. This funding builds on the £600 million of round 1 funding allocated in May.
12. Eighty per cent of the round 2 funding will be allocated straight to care homes based on the number of beds (up from 75 per cent in round 1). The remaining 20 per cent of funding will be allocated on other COVID-19 infection control measures for the care sector, including supporting other care settings and wider workforce measures.
13. The Government has confirmed councils and the police will equally share the £60 million in funding to help support compliance and enforcement of COVID-19 rules. The £30 million councils will receive is ringfenced to spend on COVID-19 related compliance and enforcement activities and will be allocated to all district, unitary, metropolitan borough, and London borough councils. Allocations are based on the Relative Needs Formula

used to distribute COVID-19 funding. Local authorities have been encouraged to consider using this funding for the deployment of COVID-19 secure marshals, or their equivalents.

Business Rates Review: Tranche 2

14. 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.
15. The Government is seeking evidence in two tranches:
 - 15.1 Tranche One on reliefs and the business rates multiplier
 - 15.2 Tranche 2 includes valuation and transitional reliefs, maintaining the accuracy of rating lists, the billing process and alternatives to business rates.
16. The LGA's submission to [tranche one](#) and [tranche two](#) of the call for evidence were developed with the Task and Finish Group on Business Rates and Wider Local Government Finance Reform, and cleared by the Executive Advisory Board.

Spending Review 2020: changes in timings

17. In July, the Chancellor announced that the Government would conduct a three-year Comprehensive Spending Review in the autumn, with a 24 September deadline for representations. On 21 October, this was changed to a one-year review, focussing on supporting jobs, setting department resources and capital budgets and block grants for devolved administrations.
18. On 28 October, the Chancellor announced the Spending Review will be delivered on 25 November. LGA officers will produce an on the day briefing highlighting the main announcements affecting local government. As announced on 23 September, an Autumn Budget will not take place this year.

LGA Spending Review Submission

19. On 24 September, we submitted our Spending Review representation to Treasury. The submission was published on 1 October. At the time of submission, the Comprehensive Spending Review was planned as a three year review. Despite the change to a one year spending review, the majority of asks from the Government presented in the submission are still relevant.
20. The LGA's Spending Review work now calls on the Government to provide an additional £8.7 billion in core funding by 2021/22, based on:

- 20.1 A £4.0 billion funding gap to sustain 2019/20 service levels (based on [IFS work](#) which assumes annual inflationary increases to grants and 2 per cent annual council tax increases);
 - 20.2 £1.8 billion to deal with other underlying pressures and quantifiable new burdens in the sector including children's social care, homelessness and concessionary fares; and
 - 20.3 £2.9 billion of other core funding requirements to help councils improve their core service offer, such as reinstating early intervention funding.
21. It should be noted that the revenue and spending figures are highly uncertain and will depend on the course of COVID-19 and how this affects future revenues, service demands and costs.
22. The LGA will continue to make the case for local government in the run up to the 2020 Spending Review. There will be continued efforts focussed on highlighting the messaging from the LGA's submission through media communication and public affairs work, including:
- 22.1 A joint letter from all four of the local government associations in the UK, highlighting the significant funding pressures in councils across the UK, was sent to the Chancellor on 24 September.
 - 22.2 A presentation to parliamentarians on the LGA's submission to the Comprehensive Spending Review led by the Chairman, the Chair of the Resources Board and the Deputy Chief Executive took place on 5 October and we have issued further press work linked to our submission, such as highlighting the [fragmented nature of council funding](#).
 - 22.3 Evidence to the Housing, Communities and Local Government Committee inquiry on the Spending Review and local government finance has been submitted. Oral evidence will be given by the Chairman on 12 November to the Committee.

Audit Issues

23. The [Independent Review of Local Authority Financial Reporting and External Audit in England](#) was announced by the then Secretary of State at the LGA's conference in July 2019. The review has been led by Sir Tony Redmond. Resources Board approved the LGA's [response](#) to the review's [call for evidence](#) at its meeting in November 2019. The [report of the review](#) was published on 8 September.
24. Following consideration of the Redmond Report at the Resources Board meeting on 15 September, a report was taken to the Executive Advisory Board on 22 October. This highlighted concerns raised by Resources Board that the recommendations in the Redmond review would not solve the problems around the robustness in the audit market and recommended a way forward.
25. Executive agreed that a response to the review report should go to the Secretary of State. A [letter](#) was agreed by lead members of the Resources Board.

26. Public Sector Audit and Appointments (PSAA) has launched [a consultation on proposed new arrangements for determining fee variations](#) for local audits of opted-in bodies from audits of 2020/21 accounts onwards. This is an issue mentioned in the response to the Redmond review. The consultation runs for just under four weeks. A response will be drafted for consideration and clearance by Lead Members of Resources Board.

Next steps

27. Members are asked to note this update.
28. Officers will proceed with the delivery of the LGA's work in advance of the Comprehensive Spending Review and on the response to, and recovery from, COVID-19 as well as wider local government finance matters.

Implications for Wales

29. 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. The Redmond Review applies to arrangements in England only.

Financial Implications

30. 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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